

**HOUSING AMERICA: ADDRESSING
CHALLENGES IN SERVING PEOPLE
EXPERIENCING HOMELESSNESS**

VIRTUAL HEARING
BEFORE THE
SUBCOMMITTEE ON HOUSING,
COMMUNITY DEVELOPMENT,
AND INSURANCE
OF THE
COMMITTEE ON FINANCIAL SERVICES
U.S. HOUSE OF REPRESENTATIVES
ONE HUNDRED SEVENTEENTH CONGRESS
SECOND SESSION

FEBRUARY 2, 2022

Printed for the use of the Committee on Financial Services

Serial No. 117-66



U.S. GOVERNMENT PUBLISHING OFFICE

47-104 PDF

WASHINGTON : 2022

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HOUSING AMERICA: ADDRESSING CHALLENGES IN SERVING PEOPLE EXPERIENCING HOMELESSNESS

Wednesday, February 2, 2022

U.S. HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON HOUSING,
COMMUNITY DEVELOPMENT,
AND INSURANCE,
COMMITTEE ON FINANCIAL SERVICES
Washington, D.C.

The subcommittee met, pursuant to notice, at 10:03 a.m., via Webex, Hon. Emanuel Cleaver [chairman of the subcommittee] presiding.

Members present: Representatives Cleaver, Velazquez, Sherman, Beatty, Green, Gonzalez of Texas, Vargas, Lawson, Axne, Torres; Hill, Posey, Huizenga, Zeldin, Hollingsworth, Rose, Steil, and Taylor.

Ex officio present: Representative Waters.

Also present: Representatives Pressley and Barr.

Chairman CLEAVER. Good morning. The Subcommittee on Housing, Community Development, and Insurance will come to order.

Without objection, the Chair is authorized to declare a recess of the subcommittee at any time. Also, without objection, members of the full Financial Services Committee who are not members of the subcommittee are authorized to participate in today's hearing.

Today's hearing is entitled, "Housing America: Addressing Challenges in Serving People Experiencing Homelessness."

I now recognize myself for 3 minutes for an opening statement.

Homelessness in the United States is an unnecessary and worsening crisis. According to HUD, between 2016 and 2020, homelessness increased in the richest nation on the planet by 6 percent, with more than 580,000 people, including children, experiencing homelessness in January of 2020.

The significant economic instability brought by COVID-19, and reports of crises from homeless service providers on the front lines have only heightened concerns about conditions facing homeless and at-risk populations. In every congressional district in the country, homeless service providers have worked tirelessly to benefit those communities. It is without question that these service providers are heroes and that the work they do saves American lives. It is also without question that service providers have been asked to solve complex, systemic problems with woefully insufficient resources and a unique set of professional challenges.

It is my intent that this hearing will allow the public to better understand the challenges that local homeless service providers face in the battle to end homelessness in our country, and that members of this subcommittee will be better able to continue to explore ways that we can provide the needed support and resources for the benefit of those who are in need.

I would also be remiss not to emphasize that while the causes of homelessness are many, the affordable housing crisis is an accelerant to open flames. Soaring housing costs and growing backlogs for critical housing resources have pushed some Americans into homelessness and left millions more at risk.

In addition, the national strain on housing resources limits the ability of service providers to provide positive outcomes for Americans battling housing insecurity. In the United States, 40 percent of people experiencing homelessness are currently employed, yet unable to obtain stable housing. The Build Back Better Act passed by the House in November includes very, very, very, very important provisions for the committee, which we would now like to see pass in the Senate.

I have heard opponents of these investments in the House. Many of their arguments, I think, are rather weak, but we will get into this, hopefully, as this hearing proceeds.

I now recognize the ranking member of our subcommittee, Mr. Hill from Arkansas, for 5 minutes.

Mr. HILL. Thank you, Mr. Chairman, and thank you for convening this hearing to talk about an issue that is important to all of us in our local districts, with all of our constituents, and that is the issue of how we can best, locally and nationally, address homelessness.

I would like to start by talking about the success we have had in my district, first with my own team. I am so grateful to our combat wounded warriors—we have three on our staff—and how they work seamlessly with our veteran community to tackle veteran homelessness and help those veterans find shelter. And it is one of the most rewarding parts of my job and my time in Congress.

Second, I would say that Central Arkansas is blessed by having a robust and well-coordinated support system to help our brothers and sisters who are homeless, including many of our great nonprofits like the Salvation Army, Jericho Way, the Union Rescue Mission, St. Francis House—which has a particular emphasis on veterans—the Veterans Villages of America, run by the great Iraq veteran, Colonel Mike Ross, Goodwill, and Our House. All of them work together seamlessly to try to eliminate homelessness and to fight for shelter.

From Little Rock to Los Angeles, people experiencing housing insecurity need not just a safe place to stay, but also supportive services, whether it is clinical help, career coaching, or case management. That way, people can not only get housed, but eventually get their own place, break the cycle of homelessness, and begin their pursuit of happiness. That is why organizations like Our House, which is successfully working in Little Rock, as well as The Doe Fund in New York, that we will hear from today, have an expanding array of supportive services, including job training, childcare, and others that are successful in going well beyond shelter. I look

forward to discussing how the Housing First approach disadvantages many successful local service providers, like those in my district, from receiving appropriate Federal funding, and why we should support those that provide crucial wraparound services as well as a true holistic approach to reducing homelessness.

Before I yield back the balance of my time, I would just like to share a story from an Arkansan who has found success in these sorts of programs. Joshua is a constituent of mine in Little Rock, who had trouble finding stable housing after he left prison. He came to Our House and has been working there since 1987. He quickly settled in, found a home in the shelter, and joined a job training program on campus. And since last year, Joshua has worked in the guard shack, where he enjoys meeting people as they come to seek help. Because of his hard work and dedication, Joshua was selected to move into Our House's transitional housing, where he has been attending classes to earn his forklift certification, which will eventually lead to that career. Joshua, we are proud of you, and we are with you every step of the way. Joshua's story is so important, and it illustrates the importance of not just providing a safe place to stay, but giving people the resources and the help they need to succeed.

Mr. Chairman, I look forward to our discussion today, and I yield back the balance of my time.

Chairman CLEAVER. The gentleman yields back the balance of his time.

The Chair now recognizes the Vice Chair of the subcommittee, the gentlewoman from the snow-filled Iowa area of our country. Mrs. Axne, you recognized for 1 minute.

Mrs. AXNE. Thank you, Mr. Chairman. It is really good that we are having this hearing. I appreciate you holding this hearing because at last count, we had over 580,000 Americans who were experiencing homelessness, and over 2,500 right here in Iowa. Tonight, the wind chill in Iowa will be negative 15 degrees. That is dangerous for anyone, let alone those who are forced to sleep outside tonight because they couldn't find shelter. I hope we get as many people sheltered in the short term as possible, but we absolutely need to use this hearing to discuss more solutions to address homelessness for the long term, including my bill to give rural areas more flexibility to help people experiencing homelessness. We need to implement the ideas we discuss today to get us back on track to finding people the homes they need, like we were a few years ago. Thank you, and I yield back.

Chairman CLEAVER. The gentlewoman yields back.

The Chair now recognizes the Chair of the full Financial Services Committee, the gentlewoman from California, Chairwoman Waters.

Chairwoman WATERS. Thank you so very much for this subcommittee hearing, and I am here today to listen to our witnesses. I am absolutely upset, and I am unhappy about the lack of progress that some of our cities are making despite the fact that we are doing everything that we can to get the resources to them. I spent 6 hours out on the street working with the homeless, who were in tents with all of the trash, et cetera, and I was able to offer them Project Homekey, despite the fact that we were having locals telling us people didn't want to get off the street. Every one of

them accepted getting into hotel rooms for the night and being able to work with whomever in order to transition them to permanent housing. And so, I want to hear what these obstacles are, because I am not pleased at all, and we have to move the homeless off the street, and I think we can all do a better job. I yield back the balance of my time.

Chairman CLEAVER. Thank you, Madam Chairwoman.

Today, we welcome the testimony of our distinguished witnesses: Ms. Adrienne Bush, the executive director of the Homeless and Housing Coalition of Kentucky; Mr. Marc Dones, the chief executive officer for the King County Regional Homelessness Authority; Ms. Ann Oliva, the vice president for housing policy at the Center on Budget and Policy Priorities; and Ms. Nan Roman, the chief executive officer at the National Alliance to End Homelessness. And I will recognize Mr. Hill to introduce our final witness.

Mr. HILL. Would you like me to do that now, Mr. Chairman?

Chairman CLEAVER. Yes, please.

Mr. HILL. I appreciate that. I have the pleasure of introducing Ms. Harriet Karr-McDonald today, who serves as the president of The Doe Fund in New York City. Harriet is a longtime and fierce advocate for people experiencing homelessness at The Doe Fund, which she co-founded with her husband, the late George McDonald. And, first, Harriet, on behalf of all of us, let me offer my condolences to the family and The Doe Fund teams and over the loss of George. You and George have truly been points of light in New York, helping the less fortunate, and New York is a much better place because of you.

I have been fortunate to visit The Doe Fund several times since I have been in Congress, and every time I return, I am so impressed by the work done by the men and women who are ready, willing, and able to fight homelessness and hopelessness due to this enormous challenge. The Doe Fund is an ordinary success, not only because it has lowered criminal recidivism and has higher work attachment than virtually any other program for the homeless in New York City, but because it specializes in tackling the hardest cases and helping those most in need. That is what impresses me so much about this organization. I thank Harriet Karr-McDonald for taking the time to lend her expertise, and I look forward to her testimony. Thank you, Mr. Chairman.

Chairman CLEAVER. Thank you, Mr. Hill, and welcome, Ms. Karr-McDonald.

Witnesses are reminded that their oral testimony will be limited to 5 minutes. You should be able to see a timer on your screen that will indicate how much time you have left. I would ask that you be mindful of the timer, and quickly wrap up your testimony when your time has expired, so that we can be respectful of both the witnesses' and the subcommittee members' time.

And without objection, your written statements will be made a part of our record.

I now recognize Mr. Marc Dones for 5 minutes to give an oral presentation of his testimony.

**STATEMENT OF MARC DONES, CHIEF EXECUTIVE OFFICER,
KING COUNTY REGIONAL HOMELESSNESS AUTHORITY**

Mr. DONES. Thank you, Mr. Chairman, and members of the subcommittee for the opportunity to speak today. My name is Marc Dones, and I have the honor of serving as the chief executive officer of the Kings County Regional Homelessness Authority. The Authority is charged with the oversight of the entirety of the homelessness system in King County, inclusive of the City of Seattle, and 38 other cities in our unincorporated areas.

We are currently facing a growing crisis of national proportions, aided and abetted by policy choices that have misunderstood the root causes of homelessness, and under-resourced the solutions that are most effective. Our investments in the homelessness space have been overly focused on services that offer sub-clinical support, while leaving systems unable to provide the actual housing solutions that people need. As the system administrator for the third-largest continuum of care, I am here to tell you that it simply doesn't matter how many social workers attend to a person's needs, or how many outreach workers are available to connect with our unsheltered neighbors if we don't have anywhere for them to go, and that is precisely where we stand today. The reality is that there is no number of social workers who will ever transform into a house. Until we prioritize stabilizing the housing market for low-income individuals, we will not end homelessness; we will simply manage it.

We must also recognize that homelessness is incontrovertibly a racial justice issue. Homelessness disproportionately impacts people of color as a direct result of this country's history of racialized exclusion from housing. While Black people represent only 12 percent of the general population, we routinely make up 30 to 40 percent or more of the homeless population. Native people who make up only 1 percent of the general population often make up 3 to 6 percent of the population experiencing homelessness. We must not forget that it wasn't until 1968, with the passage of the Fair Housing Act, that this country stepped towards ensuring people of color had access to the same housing finance tools as White Americans. This legacy is alive today in the patterns of generational wealth that communities can access to get through hard times like housing bubble bursts, global recessions, or global pandemics.

Our national strategy to end homelessness must be aligned with these fundamentals and must focus on ending the racialized outcomes that continue to harm people even as we sit here today. Put quite frankly, the time has come for America to decide whether it will live down to its racist history or up to the dreams we all hold for it, and the decision to solve homelessness is a core component of that. This will require us to understand that homelessness is an economic issue; it is about not having the money to pay rent.

At the local level, we see over and over again that many of the people in our shelter system, or, frankly, in our encampments, are working. What they aren't doing is making a living wage. We also know that the belief that homelessness is driven by behavioral health is false. What we tend to see is that even if people present with these concerns, they frequently begin after the experience of homelessness, not before. The reality is that every day we allow

someone to experience homelessness, the harder it will be for us to connect them with the resources they need. Because of this, we must transform our homelessness systems into true crisis response, as has been called for us since the first United States Interagency Council on Homelessness (USICH) plan in 2010. In order to do that, we must equip systems with the necessary resources to act quickly and decisively when people experience homelessness.

Jurisdictions have had success acquiring hotels, motels, and installed market rate projects to repurpose as housing supports. To some degree, this is a reinvestment in the single room occupancy (SRO) and other low-income housing stock that was wiped from the American landscape during the suburbanization of the 1950s, 1960s and 1970s. This low-income housing stock has played a significant role, or the lack thereof rather, in the inability to exit people from homelessness without some form of subsidy in the rise of the modern formation of homelessness itself.

Additionally, given the fragile economic networks that communities face, we must continue to invest in diversion and other cash benefits that are tried and proven methods of keeping people from entering homelessness and prevent further public investment down the road. This data-driven decision-making is critical for the appropriate targeting of resource, which absolutely must include prioritization and people experiencing unsheltered homelessness. It is unacceptable for our policies to force people to live outside, and we must make a concerted effort to end unsheltered homelessness in America.

Finally, we must invest in our workforce. For 30 years, our field has been chronically underfunded and, as a result, we have seen our pipeline collapse. Providers are hemorrhaging staff who are no longer willing to tolerate poverty wages while trying to end homelessness. The fact of the matter is this work is done by people helping other people. There is no app that is going to change that. "Housing case managers," "recovery coaches," and, "peer navigators" are all fancy terms for people who have decided that the thing they want to do with their lives is to help others. And we as a country need to decide, do we care about our caretakers?

I thank you, and I yield back the balance of my time.

[The prepared statement of Mr. Dones can be found on page 55 of the appendix.]

Chairman CLEAVER. Thank you very much.

The Chair now recognizes Ms. Bush for 5 minutes for an oral presentation of your testimony.

**STATEMENT OF ADRIENNE BUSH, EXECUTIVE DIRECTOR,
HOMELESS AND HOUSING COALITION OF KENTUCKY**

Ms. BUSH. Good morning, Chairman Cleaver, Ranking Member Hill, and members of the subcommittee. I am honored to share our thoughts on ending homelessness in the Commonwealth of Kentucky. My name is Adrienne Bush, and I am the executive director of the Homeless and Housing Coalition of Kentucky (HHCK), a Statewide non-partisan advocacy organization with a unique perspective on administering housing assistance to people experiencing homelessness.

Our mission is to eliminate the threat of homelessness and fulfill the promise of affordable housing. To that end, we also step in to identify gaps to provide continuum of care and emergency solutions grant assistance when requested. Additionally, we convene and staff a Kentucky Interagency Council on Homelessness, the State-wide homeless policy and planning body authorized by State statute. We are a State partner of the National Low Income Housing Coalition, and we abide by the principles that: (a) housing is a human right; and (b) housing ends homelessness.

Here is what we know about homelessness in our small, mostly rural State. Using multiple sources, including the Point-in-Time Count, the coordinated entry process, and hospital discharge data, we know that just over 4,000 people enter street or shelter homelessness annually. Further, we know that Kentucky is not immune to systemic racial disparities among people entering homelessness. Most glaringly, 25 percent of people experiencing homelessness are Black in a State where only 8 percent of the general population identifies as Black. And the odds ratio of a Black hospital patient being identified as experiencing homelessness is 70 percent higher than the odds for a White patient.

In Kentucky, there are three continuum of care (COC) jurisdictions: Lexington, Fayette County; Louisville, Jefferson County; and then the 118 counties outside of our two largest cities comprise the balance of the State. Each COC maximizes Federal funding to the extent possible. While Lexington and Louisville often are able to offer additional local revenue to support homeless assistance activities, homeless service providers in the balance of the State rarely have that option, and use much smaller allocations of COC and ESG funds. Each COC prioritizes projects that implement Housing First principles and strategies. They offer housing with case management in connection to employment and other services tailored to the needs of the household and the community.

Barriers to ending homelessness and housing insecurity writ large are driven by the lack of affordable housing. As the members of this subcommittee are well-aware, the housing crisis is prevalent nationwide, and in Kentucky, where our cost of living is theoretically lower than the coasts, prior to the pandemic, we were short nearly 78,000 affordable and available rental homes for extremely low-income Kentuckians. The average wage that renters earn in Kentucky is \$14.25 per hour, while the hourly wage required to pay for a 2-bedroom rental home is \$15.78. Service and care sector jobs, where many labor shortages are occurring, have a median hourly wage of \$9 to \$10 per hour here in Kentucky. It is also important to recognize that not all job openings with living wages are spread equitably across regions within the State, and this is acutely true in areas of longstanding depressed economies, such as Appalachian Kentucky.

Congress, through the leadership of the House Financial Services Committee, has taken bold steps to reduce homelessness through the housing provisions in the CARES Act and the American Rescue Plan Act. Now is the time to continue that work through pathways of the Build Back Better Act and other legislation for consideration today. At HHCK, we know what works in Kentucky communities, whether in larger cities like Louisville or in our small rural towns.

Given the challenges the United States faces in coming out of the pandemic, now is the time to course correct away from the affordable housing crisis and provide the foundation to end homelessness through legislation and correctly-scaled funding.

Thank you for your consideration of my remarks this morning, and I yield back the balance of my time.

[The prepared statement of Ms. Bush can be found on page 40 of the appendix.]

Chairman CLEAVER. Thank you very much, Ms. Bush, for your testimony.

The Chair now recognizes Ms. Oliva for 5 minutes for an oral presentation of your testimony.

STATEMENT OF ANN OLIVA, VICE PRESIDENT, HOUSING POLICY, THE CENTER ON BUDGET AND POLICY PRIORITIES

Ms. OLIVA. Thank you, Chairwoman Waters, Chairman Cleaver, and Ranking Member Hill. My name is Ann Oliva, and I am the vice president for housing policy at the Center on Budget and Policy Priorities. I want to commend this subcommittee for the housing-related relief measures enacted during the pandemic. Thank you as well to Chairwoman Waters, Chairman Cleaver, and Representative Torres for your continued leadership on homelessness, including the introduction of the Ending Homelessness Act of 2021, which, if enacted, would address many of the challenges that we are discussing today.

The housing investments made as part of the nation's pandemic response are helping communities to keep families in their housing and/or providing critical resources for those experiencing homelessness in significant ways. More than 3.2 million households, most of whom have very low or extremely low incomes, have received emergency rental assistance. Communities have issued nearly 23,000 emergency housing vouchers to households experiencing or at risk of homelessness, and more than 9,500 units have been leased. Emergency Solutions grants funding has helped communities respond to the needs of people living unsheltered and in shelters, and HOME funds will help communities build permanent and supportive housing.

These resources are the right start, but more investments are needed to address capacity and equity challenges being experienced on the ground. All of the reliable evidence tells us that the situation for people experiencing homelessness is urgent, and that the homelessness crisis, which predates the pandemic, will persist afterwards without serious intervention. The Census Poll Survey continues to show that millions of households are at risk of eviction and that people of color continue to be disproportionately impacted by the pandemic.

In 2020, for the first time since we started gathering this data, we saw an increase in the number of people in families with kids living unsheltered, and the number of individuals living on the streets exceeded the number of individuals living in shelters, also for the first time. HUD reports that more than 580,000 people experienced homelessness on a single night in January of 2020, and that nearly 1½ million people experienced sheltered homelessness at some time in 2018.

People of color are disproportionately impacted by homelessness. Families experiencing homelessness are typically headed by women, many are headed by young parents, and they include a high percentage of young children. Youth, veterans, and adults experiencing chronic homelessness are suffering on our streets and in our shelters every day, and data shows that more than half of sheltered people and 40 percent of unsheltered people experiencing homelessness work but still can't afford housing.

Homelessness assistance systems face daunting challenges. Some are longstanding issues like the scarcity of available, supportive, and affordable housing units, but new challenges have also emerged. Rising rents make finding and keeping permanent housing more difficult for extremely low-income people. The urgency created by the pandemic has stretched community planning and staffing resources thin, creating unanticipated implementation challenges. Congregate shelters have proven to be unsafe environments for people who often have underlying health issues. Criminalization of people experiencing homelessness is rising, and more resources are needed. Communities consistently report that they want and need more housing and service resources.

Expanding the Housing Choice Voucher Program and building new units through well-targeted programs is the most important and effective step Congress can take to address this crisis. Congress should pass a Build Back Better Act that retains critical housing investments, which currently includes voucher expansion that we estimate would serve about 300,000 extremely low-income households after phase-in, including about 80,000 households experiencing or at risk of homelessness, an estimated 70 percent of whom are people of color.

I regularly partner with people who have experienced homelessness and their priorities are clear: one, create more affordable housing options and supports and target those most impacted by structural equity; two, develop and support dignity-based services led by the communities most impacted by homelessness; three, reimagine congregate shelter and crisis response options; and four, end practices and policies that criminalize people experiencing homelessness. The need for housing assistance is urgent, especially for historically-marginalized people. Now is the time for bold action to increase housing supply and affordability nationwide, to partner with people with lived expertise to define solutions, and to set communities up for success by making services more accessible.

Thank you, and I look forward to answering your questions.

[The prepared statement of Ms. Oliva can be found on page 65 of the appendix.]

Chairman CLEAVER. Thanks, Ms. Oliva. I appreciate your testimony.

The Chair now recognizes Ms. Roman for 5 minutes for an oral presentation of your testimony.

**STATEMENT OF NAN ROMAN, CHIEF EXECUTIVE OFFICER,
THE NATIONAL ALLIANCE TO END HOMELESSNESS**

Ms. ROMAN. Thank you so much, Chairman Cleaver, Ranking Member Hill, Chairwoman Waters, and members of the subcommittee for inviting me to testify today. I am Nan Roman, CEO

of the National Alliance to End Homelessness, which is a non-partisan, nonprofit, education policy, capacity-building organization.

Briefly, a few comments on where we stand on homelessness. As other witnesses have said, homelessness has been going up slightly every year since 2016. Due to the pandemic, we are not certain where the numbers stand today. The Alliance has conducted four surveys of the nation's continuums of care during the pandemic, and most COCs feel that the number of homeless people is up, including unsheltered numbers being up. It is our belief that unsheltered homelessness has likely increased, and it is possible that overall homelessness has also increased. And as others have said, people of color are disproportionately homeless, and there are disparities in the availability and the impact of the assistance they receive from that homeless assistance system. So, this is where we stand on homelessness today.

Thanks to your work, there is a significant opportunity at the moment to make a serious dent in the problem of homelessness. The inability of people to afford housing is the major driver of homelessness and the major solution to homelessness. That is not to say that people don't need services and jobs. They do need services and jobs, but everything works better when people have safe, stable, and affordable housing. I think we could all say that about our own lives.

During the past 2 years, you have generously provided through the CARES Act and the American Rescue Plan Act the very resources that people experiencing homelessness need to return to housing. And Build Back Better, should it advance—fingers crossed—will build upon those resources. These resources are not going to be enough to end homelessness, but they can certainly reverse its course, and they represent a significant opportunity for us to make a difference.

Of course, there are many challenges as well to making progress. A key challenge is to apply the resources that you have provided in the most strategic ways possible. Organizations, agencies, and their staffs are depleted, and they are struggling. It is easier to house people who have lower needs, who do not require services, who are more acceptable to landlords, or who are not yet homeless, than it is to house people who are literally homeless, possibly unsheltered, and have high service needs. But to reduce homelessness, we really need to focus on the latter group, not the former group.

A critical priority is to address the needs of unsheltered people. It is just not acceptable that in a nation with the resources and capacity of ours, 230,000 people should be sleeping on the streets every night. Data indicate that people who are unsheltered have much more serious health problems and shorter life expectancy than those living in shelters. This group should be a top priority for us, and I am not sure that it is.

Another challenge is staff shortages. Most COCs report significant shortages in staff across-the-board. While the sector welcomes and appreciates new resources and initiatives, it can be a struggle to implement, to follow up on those resources without staff. Similarly, new funding and initiatives often require the creation of new

partnerships, important, but hard work, that many simply feel too overwhelmed to undertake at the moment. One final challenge is the possibility that there will be a significant post-pandemic increase in homelessness. Many Federal supports will be coming to an end, and the nation is facing a period of high inflation, including for housing. While I hope that the strategic use of stimulus resources prevents it, we should be prepared for a wave of increased homelessness possibly in the summer or next fall.

Given these opportunities and challenges, there are some key solutions that the Alliance encourages communities to invest in to reduce homelessness. We recommend that they use funds to help people with the highest needs, including people who are unsheltered, those experiencing chronic homelessness, people with disabilities, families with children, and pregnant women and older adults who are homeless.

On the other hand, we recommend that the funds not be used for the prevention of homelessness. There are other resources available for that. We recommend that communities allocate their resources to strategies that are specifically designed to reduce racial disparities and eliminate racial disproportionality. It is important to focus our resources on proven solutions, such as Housing First. Housing First is not housing only. We recommend that jurisdictions take the opportunity to investigate the possibility of converting available office and commercial space to housing, and we recommend investing in those partnerships that are needed.

In closing, while people experiencing homelessness have suffered tremendously, the resources you have provided have ended homelessness [inaudible].

[The prepared statement of Ms. Roman can be found on page 86 of the appendix.]

Chairman CLEAVER. Thank you, Ms. Roman, for your testimony.

The Chair now recognizes Ms. Karr-McDonald for 5 minutes for an oral presentation of your testimony.

**STATEMENT OF HARRIET KARR-MCDONALD, PRESIDENT, THE
DOE FUND**

Ms. KARR-MCDONALD. I want to thank you all for this really wonderful opportunity to testify about my 30 years of experience working mostly on the ground in this area. I am the president of The Doe Fund, and I ask that we keep the concept of opportunity at the forefront of our mind, opportunity that leads to true self-sufficiency. It is unquestionable that the vast majority of the people that we have served are minority people, and that is, for very obvious reasons, the lack of opportunity at every level for minority people.

The Doe Fund pioneered Work Works in New York City 30 years ago. It was a similar moment of urgency. Homeless people were living on pretty much every street corner, and on subway grates, and one of the major areas where you could see this horrible human drama play out was Grand Central Terminal, where the thousands, literally, of people living there were desperate to survive. My deceased husband and I made it our business to spend an enormous amount of time in Grand Central with homeless people, and what we learned from them is what they told us over and over again:

What they wanted was a room and a job to pay for it. We heard it constantly, “a room and a job to pay for it,” and that is what we set out to do.

We started with 70 men that we literally picked up off the floor of Grand Central, and we decided that we would create a work program that at that time was a total innovation in the area of homelessness. Work came first. Even before we had a contract for transitional housing, we got a contract for work, and at that time, everyone thought that homeless people were too lazy or too crazy to work. From the beginning, those 70 men demonstrated that the absolute opposite was true. They worked so hard.

Then, we got our transitional housing, and what we realized was that we needed a three-legged stool approach to start ending homelessness. We have very extensive social services, including drug treatment. We have paid work, of course, very good transitional housing, and training for jobs, and introduction to work. We clean 150 miles of New York streets every day. We also have an oil business, oil that gets refined. We have a direct mail business. And even increasingly, in this period of the pandemic, we have grown our culinary arts program and served other hungry people in the communities in which we work.

The population that we serve today is honestly no different than the population we saw then. They are demographically absolutely [inaudible]. I believe that these single adult men make up the largest segment of the homeless population. That is who our program serves. We serve about 1,000 people at a time who are ready, willing, and able, and it has been replicated in 6 cities across America, whether they are rural communities, other large cities, or more suburban areas.

Chairman CLEAVER. Thank you so much.

Ms. KARR-MCDONALD. Oh, is that my 5 minutes? Okay.

Chairman CLEAVER. Yes.

Ms. KARR-MCDONALD. Can I just add one little thing? What I am asking for here today—I know the critical need for independent permanent housing, but so many people can be independent. I ask you to consider funding additional models. Thank you very much.

[The prepared statement of Ms. Karr-McDonald can be found on page 60 of the appendix.]

Chairman CLEAVER. Thank you for your testimony, and I will now recognize myself for 5 minutes for questions.

I want to say to all of you, not far from my office here in Kansas City, Missouri, a young person, a 28-year-old woman, was burned to death—burned to death—in a homeless encampment under I-70, a bridge at I-70, not too far from where I am right now. The fire was so bad that traffic was blocked on the freeway. Now, the fire was under the freeway, but traffic was blocked on I-70. Anywhere you go in any major city, you are going to find that scene.

In Washington, D.C., not far from where I live, there is an encampment of homeless individuals and some people living out of their vehicles. All kinds of issues are there. One of the things that I think we ought to do, and maybe, Mr. Dones, you can help here—because I grew up in public housing, I have heard all of the things: “If you live in public housing, it is because you don’t want to work.” You all have heard it or maybe know people who say it even today.

Are there things that we can be doing, that maybe this committee could do, or those of us who are thinking about this issue seriously can do to try to erase all of the stigma attached to homelessness? "They want to be homeless; they don't want to have food," or whatever. Give us any kind of direction that you might be able to provide?

Ms. KARR-MCDONALD. My experience, and it is long now, is that people desperately want to be independent. They want to be fathers to their children. They want to be contributing members of society. I get calls from guys saying, "Oh, Miss Harriet, I just did my first taxes, I am so excited," because people want the dignity of being in the mainstream. We also do permanent supported housing. We now have 14 buildings, and I am not saying that is not critical for people with any kind of disability, but 95 percent of the people who come to us have a very serious drug problem.

Chairman CLEAVER. Right.

Ms. KARR-MCDONALD. And we deal with that on site; we always have. We honestly drug test, and if people are doing drugs, we don't ask them to leave, but we ask them to give up the paid work. We can't put them on the street to clean the streets of Manhattan.

Chairman CLEAVER. That is very helpful.

Mr. DONES, do you have a response, do you or any panelists, to what can we do to begin to erase the stigma that also fights against us successfully getting more money that I think all of you are talking about?

Mr. DONES. Yes, thank you, Mr. Chairman. My response to that would be that the best thing we can do is incorporate people who are experiencing homelessness or have experienced homelessness into the work that we do, right? I, myself, have experienced housing instability. I have a serious psychiatric condition. I have been hospitalized twice. These are not things that you would know about me unless I talk about them. And in being honest about that history, and how I got here and how that influences my work, I think that is the most stigma-disrupting thing that we can do. You, yourself, just spoke about growing up in public housing. I think we have to talk about it more frankly, those of us who have made it out.

I also think that folks who are currently experiencing homelessness do have critical voices and real insight into what is necessary, and they are often highly refined, like, thinking, right? I have been quoted regulation chapter and verse by people experiencing homelessness, saying these are the things that are in my way right now to getting where I want to be. And the more that we pull those voices to the center, the more that we can disrupt the belief that is out there that folks want to live outside, that they don't actually know what is best for them or how to get where they need to go.

Chairman CLEAVER. Thank you so much. I appreciate your testimony. It is very, very critically important. My father turned 100-years-old on July 17th. I saw him cry about 30 years ago when he was looking at the news where they talked about how people who lived in public housing didn't want to work.

Mr. Hill, you are now recognized for 5 minutes.

Mr. HILL. Thanks, Mr. Chairman. Every January, traditionally, HUD releases its, "Annual Homeless Assessment Report to Con-

gress,” which provides estimates on the local rates of homelessness in America. Despite the Federal reliance on Housing First as the sole approach to ending homelessness, that rate has increased over the past several years. While I hoped we would have that data before this hearing, I look forward to that report soon, and I hope, Chairman Cleaver, that we can bring attention to it at a future hearing.

In my opening statement, I mentioned the story of Joshua and the success he found at Our House, which is our shelter in Little Rock for the working homeless. It has been in place since 1987 and has been such a success and part of our strategy to reduce homelessness in my hometown. Residents of Our House are required to work full time and to save 75 percent of their earnings as we try to get them that important savings account, that deposit for that next apartment or that down payment for a future home. But there are specific challenges facing homeless families with children. They often get left out of many, many Federal policy conversations, and the focus on Housing First often leaves out nearly all families with children who are experiencing homelessness. Our House’s work shows that homelessness among families with children can be solved, but it takes this kind of holistic approach. And I am glad that they have put together a huge nonprofit that works in that way that brings in city, private philanthropy, and some Federal grant resources to achieve that.

Harriet Karr-McDonald, again, thank you for coming today. It is so good to see you. And, again, I am so sad about the loss of George, but so gratified by your continued work, and your passion, and the personality that you have shown to the subcommittee today. The Doe Fund, as you try to access Federal funding, tell me the concerns you have when you combine paid work with transitional housing and support services? Does that make it harder to get Federal grant funding?

Ms. KARR-McDONALD. Absolutely. Up until 2016, we won many awards from HUD because of our very strong data outcomes. Harvard studied us, New York State studied us and found we reduced recidivism by 62 percent. HUD stopped funding us because they decided the only thing they would really fund was permanent housing. We have 14 buildings now of really beautiful, supported housing. The only people who qualified have very distinct illnesses, whether it is mental health, AIDS, being elderly and not obviously being at a point in their life where they are going to enter the workforce, and it is an essential part of the solution for people with disabilities. However, the majority of people on the street don’t suffer from that.

Mr. HILL. And, Harriet, tell us—throw some numbers out there.

Ms. KARR-McDONALD. Yes.

Mr. HILL. The vast majority of your clients are what we consider transitionally homeless.

Ms. KARR-McDONALD. Yes.

Mr. HILL. They are coming from incarceration. They are out of work. They are out of luck. They have drug and alcohol dependency.

Ms. KARR-McDONALD. Yes.

Mr. HILL. But they would be able to reenter society fully. Is that right?

Ms. KARR-MCDONALD. Absolutely, and they do.

Mr. HILL. Yes.

Ms. KARR-MCDONALD. We have reduced recidivism by 62 percent, one of the highest numbers in the country. And we have now served 29,000 people in these past 30 years who have entered the mainstream, and have paid child support. It is actually a requirement at The Doe Fund because the mothers are incredibly poor, too, and the men overwhelmingly want to be involved with their children. When you don't have a big legacy [inaudible], the children are maybe even more important.

Mr. HILL. Thank you, Ms. Karr-McDonald, for your work in New York, and society there is better. And I yield back to my friend, Chairman Cleaver.

Ms. KARR-MCDONALD. Thank you.

Chairman CLEAVER. Thank you, Mr. Hill. The Chair will now yield to the Chair of the full Financial Services Committee, the gentlewoman from California, Chairwoman Waters.

Chairwoman WATERS. Thank you very much. I am going to try and raise a few questions and go quickly to each of our witnesses. And I don't mean to be abrupt, but I am now into trying to understand systems and how they work in various areas. For example, I want to know from each of you who is responsible for your homelessness programs? Is it a department of the city council, or is it another agency that has been organized by the city council to work on homelessness? And let me start with Ms. Bush.

Ms. BUSH. In Kentucky, we have three COCs, and the balance of the State is led by the State Housing Finance Agency as the collaborative applicant, Kentucky Housing Corporation. In Louisville, the collaborative applicant is a nonprofit organization, the Coalition for the Homeless. And then in Lexington, the Office of Homelessness Prevention and Intervention within the City of Lexington coordinates their COC activities.

Chairwoman WATERS. Thank you. And Ms. Oliva?

Ms. OLIVA. Thank you for that question, Chairwoman Waters. Obviously, I don't run a continuum of care at this point in my career. I worked in the District of Columbia's Continuum of Care, where a nonprofit organization was identified as a collaborative applicant. But what I would say is probably the most important piece of COC work is that public and private sector partners and nonprofit organizations are working together to achieve a common goal and to ensure that people with lived expertise are helping to make those decisions.

Chairwoman WATERS. Excuse me. Where does it stop? Who has the responsibility for making sure that the funds that we receive are utilized in the way that they were intended to be? Where does the buck stop?

Ms. OLIVA. The buck stops in many communities with the collaborative applicant, which is sometimes a nonprofit and sometimes a government entity.

Chairwoman WATERS. Okay. Thank you. Mr. Marc Dones, what about you? Who has the responsibility? Is it the city council, or a nonprofit, or a combination of agencies?

Mr. DONES. Thank you, Madam Chairwoman. The buck stops in our community with me. I run an agency that was created through legislation that combined the efforts of the county and the City of Seattle into a single organization that has the span of policy control and funding for everything in the county. And I would add that we are one of only at least three organizations similarly situated in the country, and it really does make a big difference. The complexity of the answers you are getting, Madam Chairwoman, is actually why it is so difficult to implement things appropriately. It should be possible for people to say to you, "It is my job."

Chairwoman WATERS. Thank you. Ms. Roman, who runs it?

Ms. ROMAN. I am in the District of Columbia, so the same answer, the COC is run by a nonprofit.

Chairwoman WATERS. How many people know of or have seen a database of city-owned property that is available, that could be used for the development of affordable housing? How many people have seen that database? Raise your hand if you have seen it.

[Hands raised.]

Chairwoman WATERS. How many people believe that perhaps what we could be involved with is seeing how we could get the ability for housing developers who develop affordable housing to have access to that land, if they can build these units at a very, very affordable price? Would that help?

Ms. ROMAN. Yes.

Mr. DONES. Yes.

Chairwoman WATERS. And do we believe that there are other laws and policies that could be made by the people who have land use authority, whether it is what I just alluded to, the use of city-owned property, or the removing of obstacles in the city in order to expedite housing development for low-income developers? Do you think there can be a better job done?

Ms. ROMAN. Yes.

Mr. DONES. Absolutely.

Ms. ROMAN. Zoning and permitting issues also, similarly, could be reduced, and that would result in a lot more housing. I would put Federal property on that list as well.

Chairwoman WATERS. Federal property, too. How many people believe that we have systems that deal with the mentally ill and the developmentally disabled now that are working inside of the processes for dealing with homelessness? What do we do? Do we have processes? None.

Mr. Chairman, I think that we have to not only be concerned about the money. We are concerned about the money, and we should be concerned about it, but we have to look at these processes now. I am not happy in Greater Los Angeles about the process. We just got a report that \$3 million was returned that was unspent. We also know that in addition to unspent funds—I talked with my public housing agencies about the CARES Act, and they have not been able to get their money out. We have to look at these processes. Thank you, and I yield back the balance of my time.

Chairman CLEAVER. Thank you, Madam Chairwoman. The Chair now recognizes Mr. Posey of Florida for 5 minutes.

Mr. POSEY. Clearly, homelessness and [inaudible] sad. It is a disappointing reality. Some critics suggest that focusing on housing

the homeless with many collectives, as you mentioned, is an effective approach for dealing with the health and addiction issues that explain much of our homelessness. Ms. Karr-McDonald, tell us what you think the strategy should look like?

Ms. KARR-McDONALD. We developed a three-legged stool. That was always our concept from knowing the people and their needs. We concentrate on work, services, including working with people on their drug addictions, which 95 percent of our people have had, and job training. And increasingly, we do training and entry to higher-level secure jobs, like union jobs. For the first time in America, because so many people in the construction industry are retiring or have retired, they have a huge shortage.

We have worked some deals with unions to train people and license them. Training for these jobs for people not associated and part of a program is my goal for anyone who can't afford that training. It is very expensive, so homeless people could never afford it. Even poor people can't afford it. It is like saying, oh, pay for college. Okay. And we all want people to go to college, of course, and enter secure jobs. They have a right to support their families and get pensions and healthcare, of course. And I think to an earlier question, having the number of people that we have had on the streets of New York for all of these years, cleaning and serving the communities, has truly changed the perception of what those who are, honestly, overwhelmingly minority people and formerly homeless and incarcerated people can achieve.

We are all different, and homeless people are all different. They are not a monolith. And as I said before, people with disabilities definitely need permanent housing. Is housing too expensive now for even working people? Of course, but breaking the cycle, life breaking the cycle, is an incredibly important part of this. And I have to say, in great part it is due to prejudice, a history of long racial inequity. Almost all of the people that we serve are minority people, and so I believe people still feel, "Eh, they are not so smart." I have known thousands personally. It is not true. They are like everybody else. They just have lacked opportunity, and that is what I believe in, and what I have seen demonstrated that works. And the most important thing is, like I did previously, I think funding data-heavy social programs in transitional housing is critical for a large segment of the homeless population. Thank you.

Mr. POSEY. Clearly, we need to move on housing to deal effectively with the reasons people end up homeless on our streets. I can imagine that it could be hard to get the chronically homeless to enter treatment coaching programs. That might be even more difficult since the *Martin v. Boise* case, which held that people experiencing homelessness can't be arrested for sleeping outside on public property if there are no available alternatives. No one wants to punish the homeless, but do local governments have the legal tools to get those people into treatment and coaching programs is the question. Sorry. I am out of time.

Chairman CLEAVER. Thank you, Mr. Posey.

The Chair now recognizes Ms. Velazquez of New York.

Ms. VELAZQUEZ. Thank you, Mr. Chairman and Mr. Ranking Member, for holding this important hearing. Mr. Dones, New York City's LGBTQ senior population struggles with substandard hous-

ing conditions, poverty, and homelessness, particularly in parts of the Lower East Side in Manhattan, which I represent. In fact, according to a study, nearly 1 in 4 of New York City's LGBTQ senior population was reported as living in substandard housing. Can you speak to the unique challenges our LGBTQ seniors face, not only in New York but across the country, and also what recommendations do you have for addressing these challenges?

I appreciate the question, particularly as a queer, non-binary person, and I have had the opportunity to do quite a bit of work actually with trans-identifying folks experiencing homelessness in New York City. The thing that folks need, and I think this is a thread today, is community. For LGBTQ folks, because they have navigated the world via chosen family networks, being able to engage in the chosen family networks inside the housing options that they have is really important. So, when we think about that, when we think about housing options, we need to be prioritizing those community engagements.

We also need to be really clear-eyed, but particularly for our trans community. There is still quite a bit of housing discrimination, so folks do need robust protections as they attempt to access certainly any market rate housing. But even inside the homelessness system itself, we continue to see that there is quite a bit of discrimination against folks. And then the other thing that I would say is that, again, speaking to that incorporation of lived experience and that community aspect, for folks who are experiencing homelessness at any age range who identify as LGBTQ, one of the things that is in the data quite clearly is that pathways inside are often framed inside of connecting with someone who is like them, whom they relate to and understand, and can understand the things that they are going through.

I once worked on a project compiling—actually this was for LGBTQ young people, again, trans young people—but compiling a manual for outreach workers and case managers around transition supports for trans women, and it was incredibly detailed medical information that is not part of what most people know. And finally, I would just say that we have to be thinking about seniors broadly, and I think the rest of the panel can speak to that.

Ms. VELAZQUEZ. Thank you for your answer. Ms. Oliva, one of the central tenants of tackling our homelessness crisis is to stop it before it starts and keep people stably housed. There is no denying that the COVID 19 pandemic has exacerbated the threat of homelessness for millions of individuals and families. But President Biden and Congressional Democrats have responded by allocating more than \$46 billion for Emergency Rental Assistance. Can you explain how the creation of this program has helped keep individuals and families housed during the pandemic, particularly those on the lowest end of the spectrum?

Ms. OLIVA. Yes, I would be happy to do that, and thank you for the question. I think it is a really important question as we think about how we want to strengthen our affordable housing system to be better equipped for the next crisis or another crisis down the road. As I mentioned in my testimony, more than 3.2 million households have been served with the Emergency Rental Assistance (ERA) Program between January and November of last year.

And according to the Treasury's data, 88 percent of those who were served with that first tranche of ERA money were extremely low-income or very low-income people, which means that program is very well-targeted to help the folks who need it the most.

So, folks or households who are in that program can receive rental and utility arrears to help them get caught up on rent as well as prospective rent to help support stability through what are very difficult financial circumstances and help people get back on their feet. And it is largely credited with holding off a wave of potential evictions after the end of the Federal eviction moratorium.

Ms. VELAZQUEZ. Thank you for your answer.

Ms. OLIVA. Sure. You are welcome.

Ms. VELAZQUEZ. I yield back, Mr. Chairman. My time has almost expired. Thank you.

Chairman CLEAVER. Thank you. Ms. Oliva, did you finish your comment?

Ms. OLIVA. Thank you for the opportunity just to finish that thought. I think what I was trying to say at the end there was, as we know, and as we have heard from Marc and Adrienne, homeless assistance systems are stretched to capacity right now, and a wave of evictions would have been disastrous for those systems, which is why we need more rental assistance resources in our communities, permanent rental assistance resources that can grow and contract based on needs, so the next time we have a crisis, we will be more prepared.

Chairman CLEAVER. Thank you. Thank you very much.

Mr. Rose of Tennessee, you are now recognized for 5 minutes.

Mr. ROSE. Thank you, Chairman Cleaver, and thanks to Ranking Member Hill for holding this hearing. I also want to thank our witnesses for being here today. I was disappointed, however, to see the Democrats' tax and spend reconciliation bill attached to this hearing, a bill that has already passed the House without the support of a single Republican. That is disappointing to see. Now, on to today's topics.

A few months ago, I visited Independence Again in Cookeville, Tennessee, in my hometown, in the 6th District of Tennessee, which is a nonprofit organization dedicated to helping individuals combat drug addiction. They are funded primarily through charitable donations, with help from the Tennessee Department of Mental Health and Substance Abuse Services, in addition to payments that they receive from their residents. They also offer financial assistance to individuals, when funds are available, to assist those who cannot afford their program. Independence Again asks each resident to follow a set of rules to participate in the program. These rules include attending meetings, respecting curfews, and submitting to random drug screenings, all of which are aimed at providing structure and promoting individual responsibility. However, these common-sense rules are disfavored under the Housing First approach.

Ms. Karr-McDonald, your organization states that, "creating pathways to self-sufficiency and independence is at the heart of everything you do." Could you please speak more about the importance of ensuring that individuals leave programs like this with the ability to maintain a stable job, in addition to their sobriety?

Ms. KARR-McDONALD. Absolutely. Homeless people have problems. You couldn't live on the street without having trauma, and, as I said, they need a three-legged stool approach. The reason the paid work that we offer at \$15 an hour is so effective is because amongst the poorest people, money, of course, is essential. We do not put people out on the street to clean buildings if they are using because it is not good for the community, so it does mean drug testing. It does mean very intense case management and drug services. The other thing I want to say is 70 percent of our staff are graduates of our program, and I think that has been key to our success. The other men, because they are staff, obviously see them as role models and it gives them hope. Hope is very important.

If you want people to give up drugs, if you want people to go to work, they need to have hope that they will achieve that. And there is no one who knows better—I learned everything I know from the homeless people we serve. They are the experts and the homeless people on our staff, formerly homeless people. Do we have rules? Yes. Do you need to be drug tested? Yes. Violence—we have a security team mostly of graduates. They don't permit violence. We have metal detectors because we have to protect the whole, and we don't allow guns.

So, yes, there are requirements for doing this. We don't throw anyone out on the street, though. You don't get paid for work. If it is a serious criminal thing, we call the police like anybody else because you have to protect the whole, all of the other people who live there. So, yes, we have rules. You have to, and people want to pay child support.

Mr. ROSE. Ms. Karr-McDonald, I see my time has expired, so I yield back.

Chairman CLEAVER. Thank you, Mr. Rose. The Chair now recognizes Mrs. Beatty of Ohio, not Cincinnati.

[laughter]

Mrs. BEATTY. Thank you, Mr. Chairman. It's, "of the Chiefs," and I am about to be, "of the Bengals." But with that said, and to our ranking member, thank you so much for holding this hearing today, and also, thank you to all of our distinguished witnesses for being here today. Certainly, we know our chairman has spent a lifetime fighting and being an advocate for those in need of housing, just as you, as witnesses, have made a commitment to that.

With that said, let's talk about the American Rescue Plan, the rescue plan that Democrats passed earlier this year and was signed into law by President Biden. And I am just so proud that I could be a part of that because it funded approximately 70,000 emergency housing vouchers for persons at risk of homelessness or survivors of domestic violence or human trafficking, something I have also spent a lot of time with prior to coming to Congress and now in Congress.

I guess I want to start with you, Ms. Roman. Can you tell me what kind of impact this is going to have on the homeless data, that we have been able to do this?

Ms. ROMAN. Right. There are about 580,000 people homeless on any given night. This would be 70,000 vouchers, so it would certainly not solve the problem, but it would have an impact on it and really turn the corner. I will say that the vouchers, however, are

not going to only go to people who are literally homeless. There are other categories of people who are also eligible. And as I mentioned in my testimony, the fact that the systems are so beleaguered and overrun at the moment makes it more attractive to house people with fewer problems, rather than people with more serious problems. Housing people with more serious problems, though, has the benefit of clearing them out of the shelter system so that we can reduce homelessness overall. There are a lot of challenges going on. Also, partnering with healthcare and behavioral healthcare systems so that people do get the services and so forth they need in the housing is a challenge.

Mrs. BEATTY. Thank you for mentioning that it goes to other things. In the session before, I think it was, I worked with Congressman Steve Stivers, and we did a bipartisan effort to make sure that Congress appropriated \$20 million for family unification vouchers, and that was the first time that this program had been funded since 2010, and each year it has continued to be funded. Is this helpful? Would it be impactful for that population? As most of you know, it is for those who have aged out of foster care and families at risk of being split up due to a lack of housing. What kind of impact is it having on that? And the reason I am asking you as an expert to respond to this is because we have so many people, whether it was Build Back Better or the Rescue Plan, who didn't vote to support this, and then we want to always be protective of our children or anti-human trafficking.

Ms. ROMAN. Yes.

Mrs. BEATTY. Help me and others understand that when they cast that vote, and it is so important for those watching to know when you look at us and the responsibility that we have to this population.

Ms. ROMAN. Sure. Quickly, I will just say that a lot of people who have behavioral health issues, mental health and substance abuse issues and who are homeless, have those issues because of being homeless. They weren't the issues that caused their homelessness. Their health is causing those issues, so it really is important to have these resources. And another thing I will say is we have been talking about the fact that all of these resources are going in, but the homeless numbers are not going down. The reason the homeless numbers are not going down is something that is totally outside the ability of the homeless system to control, which is the people coming in. More people are coming in, and one of the systems that is sending people into homelessness is foster care, so the vouchers that you provided are really important. They are a hugely effective prevention mechanism to stop people from exiting foster care and, sadly, becoming homeless.

Mrs. BEATTY. Thank you. I yield back. Thank you, Mr. Chairman. And thank you to the witnesses.

Chairman CLEAVER. Thank you, Mrs. Beatty.

The Chair now recognizes Mr. Steil of Wisconsin for 5 minutes.

Mr. STEIL. Thank you very much, Mr. Chairman. I appreciate you holding today's hearing.

Ms. Karr-McDonald, I want to build on what my colleagues have been discussing today, in particular, as it relates to Housing First. As you know, and I think we are all really well aware of, there has

been a big shift in HUD and among practitioners to Housing First, and my concern is that the shift is really ignoring the fact that many homeless individuals need more than just a home. They need support to overcome, maybe it is addiction, maybe mental health, or other challenges. It really reminds me—I went to a homeless shelter in Kenosha, Wisconsin, called the Shalom Center. It provides a lot of those key wraparound services. I remember the tour. I was actually walking, and a local church group was preparing dinner that evening. It was a little before 5:00, and I met a young man, and I asked him if he was going to have dinner. He said, well, he was going to have breakfast, because he just woke up, and I was kind of shocked. I was thinking, geez, it is almost 5:00. And I asked him why, and he said he was going to work the night shift at the Amazon facility just down the road, which pays well north of \$15 an hour, often \$18 to \$20 an hour, depending on your exact shift.

And the Shalom Center had provided some assistance. This young man fell on hard times through probably no fault of his own, and didn't have a family support structure where he could go, and he found himself receiving the help of the Shalom Center. And they not only provided him with shelter, but they also provided him the connection to a local job to make sure that he could get back on his feet, not only to stabilize what was going on in his life but also really to provide that next step so he could get out on his own into an apartment, and then, hopefully someday, be able to own a home and move along in his progress in his life.

My concern with the Housing First policy is that sometimes it is missing some of the other key components of homelessness. So, could you comment, just in your experience, to what extent do non-housing-related factors—think about addiction or mental health challenges—contribute to homelessness? And then, assuming that is a big factor, can we really address some of the key challenges of homelessness without these key wraparound services?

Ms. KARR-MCDONALD. I think that what is available today, true permanent housing is certainly essential and designed and funded to serve people who are chronically mentally ill, suffer from other disabilities, and some moms with very young kids, and that is important. As I said, we have 14 buildings, but that is not the majority of the people who live on our streets. They have systemic, life-long problems due to terrible education. Yes, totally foster care. We have tons of young people who come out of foster care and incarceration. We can't lose sight of that piece. When you come out of prison, how are you going to get a job? Where are you going to live? And that is a very substantial part of the population we serve. Yes, they need—

Mr. STEIL. If I can, I just want to continue this dialogue, and I totally agree. I look at some of the work that you have done with The Doe Fund, and then the question starts to become, how have the Housing First policies impacted The Doe Fund?

Ms. KARR-MCDONALD. Yes. When this policy was really first embraced in 2016, we lost all of our HUD money because we were not a permanent housing solution but one that transitioned people to independence, and you need both. And to say that, well, these people can't live in this housing, the permanent housing, and there is

no way that out of homelessness with a residence, that is critical to us.

Mr. STEIL. We have limited time unfortunately.

Ms. KARR-MCDONALD. Yes.

Mr. STEIL. Would you say the Housing First policies have negatively harmed vulnerable populations with whom you work?

Ms. KARR-MCDONALD. Yes, because they don't qualify.

Mr. STEIL. I appreciate it. I am only cutting us off because I am cognizant of the time. I appreciate your testimony. Mr. Chairman, I appreciate you holding the hearing, and I yield back.

Chairman CLEAVER. Thank you. The Chair now recognizes the gentleman from Texas, Mr. Green, for 5 minutes.

Mr. GREEN. Thank you very much. This hearing is exceedingly important because, like you, I have persons who are living under an overpass near my office, and it is heartbreaking to see young people there, to see persons who appear to be associated with the military in one way or another, or at least they were veterans or they claim to be, but my question has more to do with how we approach the problem. There is a debate that looms which deals with whether we should have these services and resources centralized for persons who experience homelessness or whether they should be decentralized; whether we should take a holistic approach and have all of the resources in one area or decentralize them and have them all over a given city, as well as the housing integrated into communities.

And I bring this up because I think that the intentionality, to a certain extent, as it has been explained to me with reference to Skid Row, the intentionality was to do good, to help people, but then you have a concentration of people and services. On the other hand, there are many people who need the services, but they can't get to them because they don't have transportation. So if you decentralize, then transportation becomes a real issue for people who are homeless. The question that I have is for persons who can help me with the question of centralized or decentralized or maybe some other model.

Mr. Dones, sir, would you care to respond, please?

Mr. DONES. Sure. Thanks for the question. I think it is important that we create avenues for folks to get as much as they can in one-stop shops. I think that doesn't have to be Skid Row. I think there are a lot of ways to do that. I think of Central City Concern, for example, in Portland, Oregon, which leverages a federally-qualified health center to create an integrated model of housing and healthcare where all of the supports are onsite. And I think it is very possible to do in a way that doesn't create the sort of troubling trends of the concentration or suffering or poverty that we have seen in other jurisdictions.

And I do briefly apologize. I do have to respond to some of the lines of questioning about Housing First, which seems to confuse what Housing First is.

Mr. GREEN. Could you do this for me?

Mr. DONES. To be really clear, Housing First is not housing only. There have always been services involved, and we just have to have that as what is true in this conversation.

Mr. GREEN. Thank you, Mr. Dones.

Ms. Oliva, I would like for you to respond to the question that I posed. Thank you.

Ms. OLIVA. Thank you for the question, sir. I agree with Marc in that there are a number of ways that we can be providing both housing and services to people who are experiencing homelessness, and I would say a couple of things about that. Whether it is centralized or not centralized, I think it is important to ask people who are experiencing homelessness how they would like to receive and what kinds of services they would like to receive, and really providing choice for folks to access the kinds of housing supports and service supports that they want and need.

And I also just have to make sure that we are correcting the record on Housing First. Housing First is not a program. It is an approach, and it actually provides folks with a choice about what they want and need. It is not a one-size-fits-all approach, and it is not housing only. Those are really important pieces of this discussion that I think have been mischaracterized in this hearing.

Mr. GREEN. Okay. Thank you for your comments on Housing First as well. Mr. Dones, I thank you, too.

Let's move on now, if we may, to Ms. Karr-McDonald. Ms. Karr-McDonald, you have indicated, or it has been indicated, that there are drug tests that are required. Can you give me an indication as to what are the consequences if you fail the drug test, please?

Ms. KARR-MCDONALD. Yes, and thank you. It is really not having people go out to work, because, first, they work in communities all over New York City, and you can't be high. Second, and maybe the most successful part of it, is that people want to make money, and that is what they lose. All of the people want to have their own housing. They want to get back with their children. They want to be functioning members of society, but they can't do that if they are continuing to get high.

Mr. GREEN. My time has expired. Thank you very much, Mr. Chairman. I greatly appreciate it.

Chairman CLEAVER. Thank you, Mr. Green.

The Chair now recognizes the gentleman from Texas, Mr. Taylor.

Mr. TAYLOR. Thank you, Mr. Chairman, and thank you, Ranking Member Hill. I think this is an important hearing. I appreciate the witnesses being here. I remember Ronald Reagan's time-held comment that the best social program in the world is a job, and so employment is really a key feature to helping people not need whatever the social program is that we are discussing. We are here talking about homelessness, which is very serious and something that we continue to try to address in our society. We have seen different places have different levels of success. It certainly seems I hear a consensus about the wraparound services addressing drug addiction and addressing mental health as well as housing and employment in trying to help a person sort of get back on their feet, and once they are fully employed, they can be a contributing member of society. I think that is probably ultimately all of our objectives, what we are trying to see.

One thing I will express concern about, and I think it is germane particularly in this committee, is that I believe that one of the big drivers of inflation last year was the rise of rent and making housing more expensive as a result of the excessive printing of money

by the Federal Reserve that was driven by the deficit spending that was so profligate over the last 2 years, particularly in the last year. I am worried that we are going to see another wave of homelessness—I think I am concurring with some of our witnesses here—as a result of the inflation that has driven it. So, it is interesting. We are borrowing money and creating inflation, trying to put it into homelessness, which actually will create more homelessness. I am not sure that is the correct way to address this problem.

Ms. KARR-McDONALD, you were in the middle of saying something about your work in New York City, and I want to just commend you for your work and success. Clearly, you have had a lot of success, and it seems like your focus is not just housing but also the wraparound services. And I think you were in the middle of saying something when you were cut off.

Ms. KARR-McDONALD. I was going to say that is why we start in order to be successful in our people earning money while they are with us so that makes them able to save money and contribute to child support.

Mr. TAYLOR. Sure. And could you just build on—

Ms. KARR-McDONALD. For the vast majority of people, a job is essential to independence. It is independence.

Mr. TAYLOR. Sure. And focusing on jobs, on economic growth is the key. Texas has been an enormously successful State in its job creation, and, from an employment point of view, has completely recovered from the pandemic while other States, which have, and, again, these are choices that different local leaders have made, but shutting down harder during the pandemic has hurt a lot of businesses, and they are having a harder time recovering from an employment point of view, which exacerbates that homelessness, right? Joblessness and homelessness kind of almost seem to go hand in hand. Would you agree, Ms. Karr-McDonald?

Ms. KARR-McDONALD. Absolutely. I was actually going to tell you about a current participant. We got a big contract with what's called the Cleanup Corps, New York City Cleanup Corps, to clean the streets in much broader areas and in poor neighborhoods because of the pandemic. This young man entered that way through that recruitment process. At that time, he lived with his brother. He had a long, long history of substance abuse, and a lack of education and training, and when his brother moved out of State, he called us because he was homeless, and we already employed him. And the result, as it is in so many cases, has been that he was on a local TV show talking about the Cleanup Corps. In the same week, he got to see his daughter, whom he had previously been estranged with for many years, and he went to her 9th birthday party. And she told him he was her hero.

Mr. TAYLOR. Wow.

Ms. KARR-McDONALD. And I hear children saying that frequently.

Mr. TAYLOR. Wow. Mr. Chairman, I see my time has expired, so I yield back.

Chairman CLEAVER. Thank you very much. The Chair now recognizes Mr. Vargas of California for 5 minutes.

Mr. VARGAS. Thank you very much, Mr. Chairman. Before I say anything else, Ms. Karr-McDonald, thank you. God bless you. I

can't tell you how much I have appreciated your testimony today, honestly. It reminds me of Jesus' admonition in John 15, that you love one another as I have loved you, or Matthew 19, that you love your brother as yourself.

Ms. KARR-MCDONALD. Yes.

Mr. VARGAS. I never met your husband, but I assume that he probably had that in mind, too. But I have to tell you, I assume you are a Republican, because all of the Republicans are asking you questions. And I have to say that normally, when we talk about homeless or people who are incarcerated or undocumented people, I don't always hear my brothers and sisters on the other side of the aisle talking about them as though they were humans or our brothers and sisters. Sometimes, especially with undocumented people, the conversation goes so sideways. Just listening to you is so uplifting, so God bless you, and I mean that. God bless you.

Ms. KARR-MCDONALD. Thank you.

Mr. VARGAS. And, again, all of your work that you have done, I am just so pleased with that. Putting that aside for a second, I have to say that we have talked about this a little bit. It is the price of housing that has gone up so dramatically that has caused so many people to be homeless. I remember when I bought my house that I still live in, in 1993. We paid \$176,000 for it. That is what we paid. Today, if you factor in inflation, it calculates at about \$330,000. My neighbor just sold his house, and he bought it about the same time I did. He sold it for \$1.6 million. How can you afford that? It is ridiculous, and that is why we have so many homeless, too, the price of housing in California, because everyone wants to move. People say they are all moving away. I have to tell you, every time someone puts a house up, they sell it in about a week. It is because people love to live there. We need more housing, so I appreciate that.

I do want to ask one particular question. My good friend and colleague, Salud Carbajal, asked me to ask about the Naomi Schwartz Safe Parking Program Act he has proposed, because so many people now live in their cars, that they have this grant where the cities and localities are going to help people transition from their cars, but at least have a safe place for a while. I understand, Ms. Roman, that you know a little bit about this? May I question you on that quickly?

Ms. ROMAN. Sure.

Mr. VARGAS. What do you think about it?

Ms. ROMAN. I will tell you the truth. A while ago, I would have said that I didn't think it was such a great idea, but I have really been changing my mind about it. There are a lot of people who, really, their only asset is their vehicle. If they were going to stay in a shelter, they would probably lose their vehicle, because there is no place for them to park, especially in California and in the West. If they are going to get to a job, they need a car. As we have said repeatedly, and I think the witnesses have said that 40 percent of people who are homeless are working. Most people who are homeless get out of homelessness by working.

The average length of time people are homeless is 6 weeks, so a car or vehicle is really important. It is an asset. If they can't park

it legally someplace, they will get ticketed. And if they can't pay the tickets, they may get cited or incarcerated because of that. It allows them to get their kids to school, to get themselves to work. I think it is a good model.

Mr. VARGAS. So, you think it is a good idea. Okay. I do, too. This is such a complicated issue.

Ms. Karr-McDonald, going to you, even though I am a Democrat, I almost feel like I owe you this time. Obviously, you are dealing with really hardcore issues, it sounds like. How about families? Do you deal with any families?

Ms. KARR-McDONALD. We started much more recently in our permanent housing, and it is a different animal. They need the same help, but they are very young children and those children need that person at home, and so they can't go to work in the beginning for sure. And there is no daycare. And I just want to tell you I am not a Republican.

[laughter]

Ms. KARR-McDONALD. I am not. I don't say I am a Republican or a Democrat, but I am not a Republican at all, and I am not a Democrat.

Mr. VARGAS. I will tell you a little secret. I like Republicans.

Ms. KARR-McDONALD. Me, too. French Hill is my friend.

[laughter]

Mr. VARGAS. He is my friend, too.

Ms. KARR-McDONALD. And I know a lot of other amazing Republican leaders, for example, Arthur Brooks. Do you know Arthur? He used to be the head of the American Enterprise Institute. He has been so helpful to me, and has been one of our great champions. He is a Republican. So yes, and we have had huge fans who are Democrats.

Mr. VARGAS. Thank you.

Chairman CLEAVER. Thank you, Ms. Karr-McDonald. Thank you, Evangelist Vargas. I appreciate your comments as well.

The Chair now recognizes the gentleman from California, Mr. Sherman, for 5 minutes.

Mr. SHERMAN. Thank you, Mr. Chairman, and thank you so much for including in this hearing my Homeless Assistance Act, which is designed to allow Public Housing Authorities (PHAs) to share data with local government agencies, and with nonprofit organizations engaged in continuum of care. And according to research done by the Pew Charitable Trust, this sort of data sharing paved the way for the State of Virginia to become the first State to, in their words, functionally end veteran homelessness. We passed this bill in 2020 through the full House, and I look forward to getting the support of our colleagues and passing it again, and hopefully, the Senate will take it up.

I think a lot of people have made the point that housing is too expensive, rent is too high, and it is a matter of supply and demand. Rent isn't expensive everywhere, but it is expensive in my district, and in Juan Vargas' district, and in many of the other districts that are represented here. I turn to colleagues in other parts of the country where you can build an apartment for \$100,000. My city is trying to build just a shelter for homeless people and is spending \$500,000 or \$600,000 to do so. We have to bring down the

cost of construction, and that means allowing people to build, which gets very controversial at the local level.

Ms. OLIVA, given the complex nature of housing policies, we have to look for ways to increase the supply of affordable housing and provide those families and individuals in need with assistance. Do you believe that the passage of the Ending Homelessness Act, proposed by our colleague, Mr. Torres from New York, would help prevent families who fall on hard times from experiencing homelessness? And, of course, this is a bill that provides \$3 billion in short-term rental assistance to targeted low-income people who are living paycheck to paycheck and are at risk of being evicted. Ms. OLIVA?

Ms. OLIVA. Thank you so much for that question, sir. Rental assistance is a key component of our strategies that we need to have in place in order to address the homeless and housing affordability crisis. Really, what we have been talking about, and what is included in Build Back Better as well, and is partially included in the bill that you are talking about, is a three-pronged approach: making sure that we are keeping the units that are affordable in our communities in place by creating funds to address the backlog of needs in public housing; increasing the supply where we need it in this country for affordable housing. But I think one of the most important pieces, as you pointed out, is really about increasing affordability through an expansion of the Housing Choice Voucher Program. That will allow units that are created with those supply dollars to actually be affordable to folks who are at the lowest incomes, including incomes from zero to 30 percent or 50 percent of the area median income.

And right now, in Build Back Better, the version that passed the House, it includes an increase in the Housing Choice Voucher Program that would serve about 300,000 households after it is phased in, including 80,000 households experiencing homelessness, 700,000 people in total, including—

Mr. SHERMAN. Let me squeeze in one more question for you.

Ms. OLIVA. Yes.

Mr. SHERMAN. We need to build 328,000 new apartments every year. We think we need 328,000 just in the L.A. area. What policies do you advocate in order to create additional apartments units?

Ms. OLIVA. Yes. What we really are focused on is ensuring that we have affordable housing that is affordable to folks who are at the lowest incomes. And so, the most targeted program to do that is the National Housing Trust Fund.

Mr. SHERMAN. I don't know if I can squeeze in one more question.

Ms. BUSH, we have Section 8. Two-point-one million households are deficient in their rent. Perhaps for the record, you can tell us what we can learn from the private sector to make the Section 8 Program more effective?

Chairman CLEAVER. Very quickly.

Ms. BUSH. Thank you for the question. I think we always need to concentrate our thoughts on affordability, what is affordable to extremely low-income constituents and build with that in mind, and leverage both the power of the government but also the private sector to make sure we are addressing those needs. Thank you.

Mr. SHERMAN. Thank you.

Chairman. CLEAVER. Thank you. The Chair now recognizes Mr. Lawson of Florida. Mr. Lawson, we are pleased to see that you are continuing to recover. We're glad to you have you here in the hearing today. You now have 5 minutes.

Mr. LAWSON. Thank you, Mr. Chairman, and thank you for the great job that you are doing with this subcommittee.

Homelessness is a big issue in my district, especially in Duval, and in the Jacksonville area, and here in Tallahassee. My question is to the whole panel, and anyone on the panel can respond to it. A November 20, 2021, report from the Florida Council on Homelessness said it is too early to know the effects of COVID on homelessness, but some reports show crowded facilities, with many being turned away due to lack of supplies and staff. Facilities all over the country report high rates of burnout among staff, particularly due to rapid turnover and short staffing. How might Congress—and I don't know whether we can do it—better assist these shelters to ensure facilities are receiving enough supplies and providing staff with additional support in order to continue to help people in need? And anyone on the panel can address it.

Mr. DONES. I would be happy to go first, Representative. In our jurisdiction, quite frankly, we need funding in order to pay people more. As I mentioned in my opening testimony, folks are making poverty wages trying to end homelessness, and the burnout rates are expansive and folks are simply leaving, and we need to be able to continue. At the local level, we have cobbled together money to do emergency funding like hazard pay kinds of things. We need money to continue to do that. That would be the most helpful thing that our jurisdiction could receive from the Federal Government right now.

Mr. LAWSON. Does anyone else want to respond?

Ms. OLIVA. I would be happy to go next.

Mr. LAWSON. Okay, Ms. Karr-McDonald.

Ms. OLIVA. Oh no, this is Ms. Oliva.

Mr. LAWSON. Okay. I'm sorry.

Ms. OLIVA. I just wanted to sure that was clear for the record.

Mr. LAWSON. Okay.

Ms. OLIVA. I agree with Marc completely that we have to invest in our workforce in order to make sure that workforce is stable and well-trained, and sort of not also dealing with housing instability while they are trying to solve the housing instability for people that they are serving. I talked to a person who is experiencing homelessness who told me that they had cycled through 10 case managers in their time at a particular program, and that is not good for the case managers, but it is also really not good for them to build their own rapport with somebody and really get the services that they need.

That said, the answer to homelessness and to addressing the needs that are in shelters is permanent housing, affordable, safe, permanent housing in jurisdictions across the country, and that means that we need to increase the supply of affordable housing and the affordability across the country with the investments that I talked about earlier in the National Housing Trust Fund and an expansion of the Housing Choice Voucher Program. That will make

everybody's job easier, and it will serve people in the way that they have asked to be served.

Mr. LAWSON. Okay. I am going to try to get in this next question. This is very important to the panel. Making more vouchers available would mean that fewer people would live in shelters or motels or on the streets or in overcrowded homes. Do you agree with that statement, and if more vouchers were widely available, how do you suggest we quickly get individual families in shelters approved to get them into homes?

Ms. ROMAN. I can start on that. Definitely, more vouchers are what are needed, and I think we need to also use those vouchers strategically for the people with the highest needs. What would help them get into housing quickly is if PHAs have flexibility or exercise the flexibility to reduce some of their requirements in terms of documentation and so forth. If we also had a more organized sector that was doing landlord coordination, landlord cultivation to find units. And also, we need to pay the homelessness sector to do navigation to help people who are homeless find units. It is not really practical for someone who is living in a shelter to be going all around town talking to landlords trying to find a unit, so we need to build up more infrastructure there. That is happening, but it could be happening faster.

Mr. LAWSON. Okay. I have another question, but I will yield back my time. But I just want to say this, Mr. Chairman, before you cut me off. We have been talking about this homeless crisis for the last 4 years, and we have the ability in Congress to do something about it, and all of us should be. With COVID and everything else, we allocate money for everything else, but we really should take people off the streets, and give them a safe environment, a place to live, put a roof over their head. This winter is going on and everything else, but we are not doing it. We are debating what vouchers are all about instead of putting money where it should be. And so I admire, Mr. Chairman, the work. The chairwoman wanted to do something about it because it keeps escalating. And with that, I yield back.

Chairman CLEAVER. Thank you, Mr. Lawson. That is why we are doing Build Back Better.

Mrs. Axne of Iowa, the Vice Chair of the subcommittee, is now recognized for 5 minutes.

Mrs. AXNE. Thank you, Mr. Chairman, and thank you to the witnesses for being here. This is such a critical subject for this committee to be working on, and unfortunately, as we have heard, there has not been as much progress as we would like to be seeing here. After numbers were dropping from 2007 to 2016, we have now seen increases in the number of people experiencing homelessness for each of the last 4 years. And sadly, right here in Iowa, that includes an increase of 14 percent just in this last year, which is unfortunately the third-largest increase in the country.

But one of the things that really jumped out at me is the large increase in the number of unsheltered people, which is up more than 25 percent in the last 4 years, and that is especially true in our rural areas where 44 percent of people experiencing homelessness were unsheltered. I have been working specifically on that

issue since I think we all recognize that sometimes what works in cities might not work in rural areas in the same way.

I would like to start by asking you, Ms. Roman, can you describe some of the specific challenges of working on rural homelessness?

Ms. ROMAN. Sure. A big challenge is that there is just not the homelessness infrastructure in rural areas in the numbers, because there are not as many people who need it, so, numbers-wise, not percentage-wise. There is not necessarily an entire homelessness infrastructure of shelter and services and so forth in every community. And because of that, people also double up, so it is not necessarily as obvious that they are homeless or that there are housing problems. I think that probably what is needed is more direct assistance to households just to get re-housed, and a lot of kind of intermediate things that we have in the bigger cities could be avoided and just help people get into housing more quickly.

Mrs. AXNE. Thank you for that. And I have a bill we are considering at this hearing to work on those exact issues and to expand the uses of homelessness funding for rural areas. I think you have seen the bill. Do you think that this would help get people sheltered in rural areas?

Ms. ROMAN. I do think it would help a lot. When the McKinney-Vento Homeless Assistance Act was reauthorized, we got something similar to this for rural areas, but it has never been implemented just because of financing reasons. But I do think that focusing on relocation assistance, on short-term lodgings, on repairs and things like that, would work very well in rural areas and help us decrease the numbers there.

Mrs. AXNE. Thank you. And are there any additional flexibilities that you would recommend to this legislation?

Ms. ROMAN. I don't have anything right now, but we can look at it and get back to you about that.

Mrs. AXNE. Thank you. I would appreciate that.

Moving on, Ms. Oliva, I know you have done a lot of work in this area as well. Do you have any thoughts on this bill? You brought up a few things, and I heard resources, needing more people to help out. Many of you have mentioned that. But do you have any thoughts on this bill and any additional uses for the funding that you would suggest?

Ms. OLIVA. Thank you for the question. I believe in my last year in service at the Department of Housing and Urban Development, we were proposing something similar to what your bill reflects, which is to make the Continuum of Care Program a little bit more flexible for those rural areas, especially since we don't have a program that is specifically designed for rural areas. So, I think the bill makes a lot of sense. I have actually talked to the folks at the Housing Assistance Council about their thoughts on the bill as well, and those flexibilities are going to be really important. Things like bringing housing up to code, those are the kinds of things that our rural communities have been asking for.

Mrs. AXNE. Thank you. Well, I will tell you what. My goal here is to make some simple changes just to make sure that we are helping these rural areas with homelessness. And to your point, it is a different approach that is needed in our bigger areas. We don't have connectivity necessarily for the homelessness in the way that

we do in some of our larger urban areas, so I am hoping that we can get this bill through so we can address those different solutions as you have all talked about here and put those into practice very quickly. This idea actually originally came from HUD under the last Administration, and I am hoping we can recognize this as the common-sense solution that it is.

Thank you so much for the work that you are doing, and thank you for answering my questions. I yield back.

Chairman CLEAVER. The gentlelady yields back. The Chair now recognizes Mr. Torres of New York.

Mr. TORRES. Thank you, Mr. Chairman. The solution to homelessness is affordable housing. If we did not have zoning laws that made it illegal to build affordable housing, we would have more affordable housing and less homelessness. If we had more Federal funding for creating and preserving affordable housing, we would have more affordable housing and less homelessness. In the end, homelessness is a public policy choice.

I have a few thoughts to offer on street homelessness in particular. For me, there is something profoundly dehumanizing about the American discourse surrounding street homelessness. We often speak as if those living on the street are quality-of-life conditions to be cleaned up or sanitary conditions to be swept away. We often speak of the street homeless as nuisances to be cycled in and out of the criminal justice system, and most people pass by the street homeless every day without even the barest acknowledgement of their basic humanity. For me, the street homeless should be seen not as threats to our quality of life but as people in need of housing and services. The homeless should be seen not as an aesthetic blight on our society, but our society should be seen as a moral blight on the homeless who have been left to languish on the streets unhoused and uncared for.

Even though most homelessness is essentially a consequence of the affordability crisis, I do believe there is a mental health dimension to chronic street homelessness. And for me, the intersection of housing and healthcare underscores the urgent need to invest in supportive housing, which is housing with services.

My first question is to Ms. Roman. Is it fair to say that supportive housing is not only the most humane but also the most cost-effective approach to addressing the most chronic forms of street homelessness?

Ms. ROMAN. Definitely housing with services, permanent supportive housing, has proven effective over the years in reducing chronic homelessness quite substantially and would do the same for unsheltered chronic homelessness, yes.

Mr. TORRES. And it is more cost-effective than psychiatric hospitalization, correct?

Ms. ROMAN. There is a lot of data that indicates that for people with behavioral health disorders, housing and services is less expensive than leaving them on the street or in shelters and overusing emergency assistance.

Mr. TORRES. Right. It is more cost-effective than psychiatric hospitalization, than the shelter system, and the criminal justice system, and yet, there are more people in America who get mental healthcare from jails rather than from supportive housing develop-

ments. Indeed, one of the largest providers of mental health in the United States is Rikers Island, the New York City jail system. In Fiscal Year 2020, it cost New York City nearly half-a-million dollars to incarcerate an individual on Rikers Island. In Fiscal Year 2017, it cost New York City \$73,000 to provide emergency shelter to a family, and \$38,000 to provide emergency shelter to an adult. So, even if you have no compassion for the poor, even if you have no core belief in housing as a human right, the fact remains that permanent housing for those in need is far less expensive than incarceration or temporary shelter. Ms. Roman, do you share that assessment?

Ms. ROMAN. I do share that assessment, yes. That is what the data indicates.

Mr. TORRES. And the Ending Homelessness Act, which codifies housing vouchers for all, would radically reduce homelessness in America. I know of no other policy that would create so much affordability, for so many, so quickly. If the United States were to implement housing vouchers for all, hundreds of thousands of units, maybe even millions of units would become affordable to families almost overnight. Does anyone have any thoughts on the importance of housing dollars for all?

Ms. ROMAN. Certainly, that is the case. There is a supply issue. Having housing vouchers would generate some supply, but there would need to be a subsidy for other supply. That is the solution. I will also just say briefly that when I started working on housing issues, which was in the late 1970s, we had poverty, we had mental illness untreated, we had substance abuse disorders. We did not have homelessness, and that is because there was an adequate supply of affordable housing at the time.

Ms. OLIVA. And if I may, I would just add to everything that Nan just said, which I agree with, that if we were to go to the universal housing voucher model, we would be lifting 9.3 million people above the poverty line, and people of color would benefit from that quite a bit. I think it is incredibly important to be thinking about this in the way you just laid it out, Representative Torres.

Mr. TORRES. We have the power to create affordable housing on a mass scale instantaneously. What we are lacking is the political will, so I will leave it at that.

Chairman CLEAVER. Did you get a full opportunity to raise your questions, Mr. Torres? I didn't know if you—

Mr. TORRES. I don't know if I can make one more comment. I don't want to—

Chairman CLEAVER. Please. I am going to allow Republicans, Democrats, and Cincinnati Bengals—anybody to make sure you got your final thought out.

Mr. TORRES. There is a local example in New York City that illustrates the power of housing vouchers. New York City recently passed a law that raised the value of City vouchers to the same standard as Section 8. Before the law passed, there were only 564 units affordable to those with a City voucher. After the law passed, there were 72,000 units affordable to those with a City voucher tied to Section 8. That is one example of the sheer power of the Housing Voucher Program to create mass affordability and to do so instantaneously, and I will leave it at that. Thank you, Mr. Chairman.

Chairman CLEAVER. The Chair now recognizes the gentlewoman from Massachusetts, Ms. Pressley, for 5 minutes.

Ms. PRESSLEY. Thank you, Chairman Cleaver, and thank you to our witnesses for being here today. The pandemic has drawn new attention to the eviction crisis and how it contributes to homelessness, race and gender. Evictions are devastating, disruptive, and violent events that not only destabilize families in the short term but also make it more expensive and challenging to rent safe housing in the future, apply for credit, borrow money, or to purchase a home.

In Massachusetts, Black renters are 2.4 times more likely to have [inaudible].

Chairman CLEAVER. We are having a problem. I apologize, Ms. Pressley. We are trying to get it straight here. Why don't we proceed with the next Member and try to get Ms. Pressley's audio straightened out? Actually, it is visual as well now. Then we will come back, Ms. Pressley, to you so that you have your complete 5 minutes of time.

The Chair now recognizes the gentleman from Kentucky, Mr. Barr, for 5 minutes.

Mr. BARR. Thank you, Mr. Chairman, and first, I want to recognize my fellow Kentuckian, Adrienne Bush, who is testifying with us today. Adrienne, how are you? As executive director of the Homeless and Housing Coalition of Kentucky, Adrienne and her team have done some truly life-changing work in the Commonwealth. And while we may disagree on the merits of the Federal Government's exclusive reliance on the Housing First policy, I do want to thank her and her team for their advocacy on behalf of the over 4,000 street and sheltered homeless and disadvantaged Kentuckians.

In the first 5 years after 2014, when the U.S. adopted Housing First as its exclusive solution to combating homelessness, unsheltered homelessness increased more than 20 percent, despite substantial increases in Federal funding. This increase came after a decade of decline in homelessness of roughly 31 percent between 2007 and 2014.

In California, which doubled down on Housing First by requiring all State funding to go to Housing First programs, the results are even more telling. Between 2015 and 2019, unsheltered homeless in California rose 47 percent.

In my view, the data is clear: Housing First has been a failure. Last year, I introduced the Housing Promotes Livelihood and Ultimate Success Act (Housing PLUS Act), which would make more inclusive the allocation of grant money to combat homelessness. We tried an exclusive Housing First model, and it did not work. Now, we should expand the toolkit and bring more providers into the fold.

Ms. Karr-McDonald, what impact would an approach like the one I proposed have on combating homelessness, and will allocating Federal funds to more rather than fewer qualified providers, including The Doe Fund, help transition people out of homelessness?

Ms. KARR-MCDONALD. As I said before, homelessness is not made up of a monolithic group of people, and I think it was a disservice to stop funding any transitional programs that provided housing as

well as more communal services. I think one of the great benefits to us and to the people we serve has been our ability to form strong communities of upwardly mobile people and get support from the staff who are vastly—the majority are formerly homeless folks. I think there have to be a multiple of answers to a very complex issue.

We are fortunate because we are a social enterprise, so we get contracts for the work we do and a lot of donations because of our high visibility on the streets, but social enterprise can be a poor piece of some homeless programs. We earn the money that allows our guys to get paid at \$15 an hour and save money and all of those things because we run businesses, and they are competitive with for-profit businesses.

Mr. BARR. Ms. Karr-McDonald, my time is running out, so I will reclaim my time, but I do appreciate the fact that The Doe Fund and similar organizations do provide the wraparound services. And we need to identify homelessness as not just a problem of lacking a roof over your head, but there are underlying causes for homelessness, whether it is mental health, lack of case management, lack of skills or financial literacy, or what have you, substance abuse disorders. We need to meet these folks where they are, and I subscribe to my good friend, Juan Vargas', citation to Scripture that we need to really care for these people. Not just warehouse them, but care for them, and that is why I oppose Housing First.

And let me just briefly engage my constituent, Ms. Bush. Your testimony today strongly advocates for the use of Housing First, and, of course, your coalition is based in my district. This issue was brought to my attention by another constituent organization in Franklin County, and when I was visiting that transitional housing facility that catered to women recovering from substance abuse disorders, what one of the ladies told me was, please, please, please—she begged me not to force her to live in a shelter where there are other active users.

The Housing First approach would have forced her to be surrounded by other people who are in active addiction and using drugs, and you can understand that was going to compromise her recovery. So, I invite your feedback on that.

Ms. BUSH. Sure, and thank you, Congressman. It is always good to see you, even over a camera on the computer. Janet Gates, the director of the Franklin County Women and Family Shelter, is who I think you are referring to.

Mr. BARR. Yes.

Ms. BUSH. And she is a good friend of mine. We have known each other for a long time. And having done this work in a rural community—I have spent 15 years of my life in Eastern Kentucky—I have worked the overnight shelter shift. I know that we have those in varying stages of recovery and that any sort of substance use issues may have come right after becoming homeless. You do want to be careful. I will say that the Franklin County Women and Family Shelter seems to have pivoted, because their mission really is tied to recovery, and so they are a recovery facility, and thanks to Community Development Block Grant (CDBG) funding, things that may be more appropriate to the recovery funding, and, quite frankly, more generous than how the Emergency So-

lutions Grant Program is funded, they may end up being in a better place.

And I just want to say that I have worked in a transitional housing program that was Continuum of Care-funded back in the 2000s. I have done transitional shelter. I became a Housing First advocate because I saw that is what works from my perspective. And I think you are absolutely right, we need to meet people where they are. One of the things I like about true, high-fidelity Housing First programming is that it does meet people where they are, and it prioritizes choice and opportunity. Thank you.

Chairman CLEAVER. Thank you. Ms. Pressley, again, we apologize. I am not sure what happened, but you are now recognized again for 5 minutes.

Ms. PRESSLEY. Thank you, Mr. Chairman. We will try this again. Just getting to my first question here for Ms. Oliva, could you speak to how the policy of reporting evictions on consumer credit reports worsens the homelessness crisis and makes it harder for people to find safe, affordable homes, and to access the financial tools that they need to be successful?

Ms. OLIVA. Yes. Thank you so much for that question. I think it is really an important question as we think about homelessness prevention and eviction prevention overall. We know that evictions perpetuate cycles of homelessness and housing instability, and that a lot of landlords use consumer credit reports during their initial tenant screening, and then they may choose to not rent to a tenant who has a history of eviction. That happens even when an eviction filing is ultimately withdrawn. Sometimes, those withdrawn filings still show up on a tenant's credit report without the additional context or ability for that tenant or prospective tenant to be able to explain what happened or what that particular context was.

And then, you also noted that this is a particular problem, especially for renters of color. And, in particular, Black and Latina women are more likely to be evicted than their male counterparts [inaudible] for evictions. So, it really does have a huge impact [inaudible] to people not being able to exit homelessness.

Ms. PRESSLEY. Thank you. It is clear that the U.S. credit system is one that perpetuates racism and economic justice while its benefactors attempt to sort of pass it off as an objective metric of financial trustworthiness. In reality, this policy further entrenches injustice and acts as a barrier to families' ability to realize their basic human rights to housing and opportunity. And we know that prior to the pandemic, it was estimated that around 3.7 million evictions are filed every year, so that is at a rate of around 7 per minute. But even though this data is very jarring, it still may not show the full story of the eviction crisis.

Ms. Oliva, do you mind just defining what are illegal evictions, and how prevalent are they and how are they carried out?

Ms. OLIVA. Sure. An illegal eviction is an eviction where a landlord doesn't follow State or local laws and includes a number of tactics like changing the locks, and removing somebody's belongings from a unit without a court order. We have heard of people who actually removed the front door to units as a method of an illegal eviction, or turning off the utilities. But I would also note that sometimes just the threat of an eviction from a landlord for all the

reasons that we just talked about, about the kind of impact and eviction can have on somebody's record, can actually incentivize a family to move out of a unit. These are illegal, so we don't know exactly how many are affected, but what I would note is that a lot of times, they happen because landlords have access to legal counsel. About 90 percent of landlords have access to legal counsel when they are filing an eviction, but only 10 percent of tenants have access to legal counsel when they are fighting an eviction.

Ms. PRESSLEY. Thank you. Thank you for that. And so, Ms. Oliva, what if landlords were required to inform tenants of their rights? Would that help to crack down on these illegal evictions, again, illegal, and also incredibly demoralizing in so many ways, given the imagery that you provided there about what often happens? But what if landlords were required to inform tenants of their rights? Do you think that this would crack down on these illegal evictions and reduce the numbers?

Ms. OLIVA. I guess what I would say to that is that the more that tenants know about their rights, the better, and the better equipped they are to fight back against illegal or unjust practices. But they also need access to counsel and strong local and State tenant protections. And then, at the end of the day, if we could make housing more affordable to more households through an expansion of the supply and an expansion of our affordability programs, like the Housing Choice Voucher Program, all of that would lessen the burden on these tenants, especially extremely low-income tenants and tenants of color.

Ms. PRESSLEY. Thank you. I am almost out of time here. I would add to that, if they were required to provide justification for an eviction in writing, that might also combat it. But that is why I have introduced the Housing Emergencies Lifeline Program (HELP) Act, not only to prohibit the reporting of eviction data on consumer credit reports, but it funds legal counsel for those facing eviction and cracks down on illegal evictions in that exact way. I hope my colleagues will support this legislation as a critical part of our larger, long-overdue strategy to end homelessness.

And I yield back. Thank you, Mr. Chairman.

Chairman CLEAVER. We messed you up, so if you have—

Ms. PRESSLEY. I am all set. Ms. Oliva answered my questions, and I also was able to speak about my legislative solutions in response. So, thank you.

Chairman CLEAVER. Thank you.

The Chair notes that some Members may have additional questions for these witnesses, which they may wish to submit in writing. Without objection, the hearing record will remain open for 5 legislative days for Members to submit written questions to these witnesses and to place their responses in the record. Also, without objection, Members will have 5 legislative days to submit extraneous materials to the Chair for inclusion in the record.

If there are no pertinent questions or comments, this hearing is now adjourned.

[Whereupon, at 12:26 p.m., the hearing was adjourned.]

A P P E N D I X

February 2, 2022

**“Housing America: Addressing Challenges in Serving People Experiencing Homelessness”
U.S. House Financial Services Committee:
Subcommittee on Housing, Community Development, and Insurance Hearing
February 2, 2022**

*Written Testimony Prepared by Adrienne Bush
Executive Director at the Homeless and Housing Coalition of Kentucky*

Chairman Cleaver, Ranking Member Hill, and members, thank you for the opportunity to share our thoughts on working to end homelessness in the Commonwealth of Kentucky.

My name is Adrienne Bush, and I am the executive director of the [Homeless and Housing Coalition of Kentucky](#) (HHCK), a statewide nonpartisan advocacy organization with a unique perspective on administering housing assistance to people experiencing homelessness. Our mission is to eliminate the threat of homelessness and fulfill the promise of affordable housing. To that end, we also step into identified gaps to provide Continuum of Care and Emergency Solutions Grant assistance when requested. Additionally, we convene and staff the [Kentucky Interagency Council on Homelessness](#), the statewide homeless policy and planning body authorized by Kentucky statute. HHCK is a State Partner of the National Low Income Housing Coalition. We abide by the principles that (a) housing is a human right, and (b) housing ends homelessness.

I. Recent Data on Homelessness

According to the most recent Annual Homeless Assessment Report to Congress,¹ 4,011 Kentuckians were experiencing street or sheltered homelessness on the night of the Point in Time Count in 2020 (p. 85). 3 out of 4 people counted that night were individuals, and of those 629 were deemed chronically homeless. Additionally, 895 people in families with children, and 221 were unaccompanied youth. 399 of the people counted were veterans.

The Point in Time Count can be useful when trend line analysis is applied. From 2007 to 2020, Kentucky’s percentage of people counted has declined 50.2%, the highest percentage in the country (p. 12).²

At HHCK, to gain a better understanding of the numbers of Kentuckians experiencing homelessness throughout the year, we have begun working with two additional data sources. First, we have worked with the Continuum of Care Collaborative Applicants to determine the number of times a household completes the Common Assessment or Coordinated Entry process to be prioritized for homeless assistance. In the calendar year 2020, across Kentucky,

¹ U.S. Department of Housing and Urban Development, Office of Community Planning and Development. (2021, March). The 2020 Annual Homeless Assessment Report (AHAR) to Congress. Retrieved from HUD Exchange: <https://www.huduser.gov/portal/sites/default/files/pdf/2020-AHAR-Part-1.pdf>

² U.S. Department of Housing and Urban Development, Office of Community Planning and Development. (2021, March). The 2020 Annual Homeless Assessment Report (AHAR) to Congress. Retrieved from HUD Exchange: <https://www.huduser.gov/portal/sites/default/files/pdf/2020-AHAR-Part-1.pdf>

4100 assessments and entries were completed, according to personal correspondence with the staff of the three Continuum of Care jurisdictions.

Secondly, we have been working closely with other systems that have a stake in ending homelessness, including the healthcare sector. In 2020 and 2021, in partnership with a colleague at the University of Louisville, we submitted a data request to the Kentucky Office of Health Data Analytics (KY OHDA) to obtain the number of people discharged from hospitals into street or sheltered homelessness in 2019. Our data request was enhanced by peer-reviewed research conducted in Illinois, which found that “using additional data sources may help to augment the Department of Housing and Urban Development point-in-time estimates to provide more accurate estimates of homelessness that are used to direct resources and assess policy....”³ In Kentucky, we found that 4,162 individuals were discharged back into homelessness in the time period studied.⁴

While these data sources point to a decline in homeless population in Kentucky, we understand that nationally homelessness is increasing, and Kentucky is not immune to national trends. We also know that homeless assistance funding through the Continuum of Care is just one small piece of ending homelessness within the larger housing crisis.

A. Racial Disparities among the Homeless Population

According to the 2020 Census,⁵ selected racial and ethnic identities of Kentuckians are as follows:

- 8.5% Black or African American
- 1.6% Asian
- 2.0% Two or More Races
- 3.9% Hispanic or Latino
- 87.5% White alone

However, the number of people presenting through the Point in Time Count and KY OHDA data request indicate a disproportionate number of non-White Kentuckians experiencing homelessness when compared to the racial and ethnic categories of the population as a whole.

Point in Time Count data indicates the following:⁶

- 24.8% of people counted identified as Black or African American (overrepresentation compared to Census figures)

³ Madigan, D., Forst, L., & Friedman, L. S. (2020). Comparison of State Hospital Visits With Housing and Urban Development Estimates of Homeless: Illinois, 2011-2018. *American Journal of Public Health*, e1-e3. doi:10.2105/AJPH.2019.305492

⁴ Walton, M., & Lile, A. (2021). OHDA Homeless Indicator Statistics Reference Sheet. Frankfort, KY: Kentucky Cabinet for Health and Family Services Office of Health Data Analytics. Attached as Appendix A.

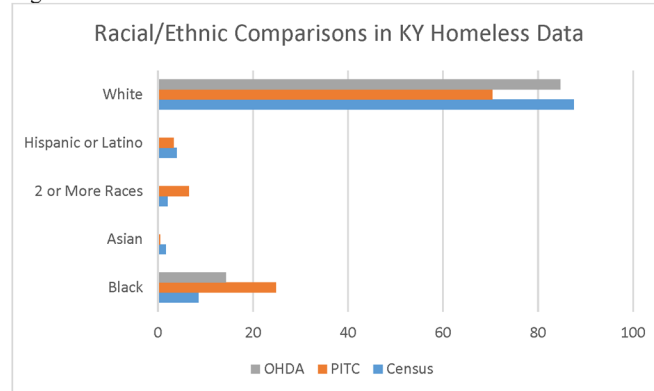
⁵ U.S. Census Bureau. (n.d.). QuickFacts Kentucky; United States. Retrieved from QuickFacts:

https://www.census.gov/quickfacts/fact/table/KY_US/PST045221

⁶ U.S. Department of Housing and Urban Development. (2021, March). 2007 - 2020 Point-in-Time Estimates by State. Retrieved from HUD Exchange: <https://www.huduser.gov/portal/sites/default/files/xls/2007-2020-PIT-Estimates-by-state.xlsx>

- 0.4% of people counted identified as Asian (underrepresentation)
- 6.5% of people counted identified as two or more races (overrepresentation)
- 3.3% of people counted identified as Hispanic or Latino (roughly similar)
- 70.4% of people counted identified as White (overrepresentation)

Figure 1.



The KY OHDA reports that while 14.3% of the individuals in this hospital discharge data were identified as Black, which is lower than the Point in Time Count data, it is still significantly higher than the Census figure. Further, by analyzing the total number of discharges in 2019 (35,943), the OHDA calculated “the odds ratio of a Black hospital patient being identified as experiencing homelessness was 70% higher than the odds for a White patient.”⁷

II. Continuum of Care Function

A. Coordinating Federal and Other Resources

In Kentucky, there are 3 Continuum of Care (CoC) jurisdictions: Lexington/Fayette County; Louisville/Jefferson County; and the 118 counties outside of our 2 largest cities comprise the Balance-of-State.

- The Lexington CoC is coordinated within the Lexington-Fayette Urban County Government through a dedicated Office of Homelessness Prevention and Intervention, and was awarded \$2.1M for 10 projects in the FY20 CoC competition.
- The Louisville CoC is coordinated by a nonprofit organization, the Coalition for the Homeless, and was awarded \$13.3M for 27 projects in the FY20 CoC competition.

⁷ Walton, M., & Lile, A. (2021). OHDA Homeless Indicator Statistics Reference Sheet. Frankfort, KY: Kentucky Cabinet for Health and Family Services Office of Health Data Analytics. Attached as Appendix A.

- The Balance-of-State CoC is coordinated by Kentucky Housing Corporation (KHC), our state housing finance agency, and was awarded \$11.7M for 35 projects in the FY20 CoC competition.⁸

The coordination with Emergency Solutions Grant (ESG) programming, which complements the longer term assistance furnished by the CoC, varies across the 3 CoCs. In the case of Lexington, ESG assistance is administered by the Grants and Special Programs office within the consolidated local government. Louisville's ESG allocation is granted to Louisville Metro Government's Office of Resilience and Community Services. In the Balance-of-State, KHC serves as both CoC Collaborative Applicant and ESG grantee. In contrast to CoC funding, the ESG formula funding allows for about \$3.8M to the state annually.⁹

Similarities among KY CoCs

Each CoC maximizes federal funding to the extent possible, as Kentucky does not match or provide additional shelter, outreach, or voucher support through its general fund. While Lexington and Louisville often are able to offer additional local tax revenue to support homeless assistance activities, homeless service providers in the Balance-of-State rarely have that option and use much smaller allocations of ESG and CoC to the extent possible divided across 118 counties.

KHC also serves as the Homeless Management Information System (HMIS) lead for the Balance-of-State and works with the Lexington and Louisville HMIS reporting staff. HMIS remains an important tool for both understanding the demographics of population experiencing homelessness as well as measuring how successful CoCs are in both getting people into housing and minimizing recidivism in homelessness.

Each CoC prioritizes projects that implement Housing First principles and strategies. Unlike the private housing market or many public housing authorities, they do not screen out applicants based on past involvement in the criminal justice system. They offer housing with case management and connection to employment and other services, tailored to the needs of the household and community. It is the very opposite of a one-size-fits-all, top-down approach.¹⁰ Having worked in the Balance-of-State first as a local provider in Appalachian Kentucky, when the Bush administration first adopted Housing First as a guiding principle for the U.S. Interagency Council on Homelessness, and now in my role at HHCK, I am less concerned with ideology and political alignments and more concerned with what works for my neighbors across the Commonwealth. Housing First works. There is more than enough evidence predating my career and over the last

⁸ U.S. Department of Housing and Urban Development. (n.d.). Fiscal Year 2020 Continuum of Care Competition Homeless Assistance Award Report. Retrieved from FY 2020 CoC Competition Grants:

<https://files.hudexchange.info/resources/documents/2020-kentucky-coc-grants.pdf>

⁹ U.S. Department of Housing and Urban Development. (n.d.). HUD Awards and Allocations. Retrieved from HUD Exchange: https://www.hudexchange.info/grantees/allocations-awards/?csrf_token=32D9BFB6-775F-4DC8-AB05A052CC76184B¶ms=%7B%22limit%22%3A20%2C%22COC%22%3Afalse%2C%22sort%22%3A%22%2C%22min%22%3A%22%2C%22years%22%3A5B%5D%2C%22dir%22%3A%22%2C%22multiStateA

¹⁰ National Alliance to End Homelessness. (2019, March 18). What Housing First Really Means. Retrieved from National Alliance to End Homelessness: <https://endhomelessness.org/what-housing-first-really-means/>

twenty years to make the case for prioritizing federal housing assistance for high-fidelity, adequately scaled Housing First programs.¹¹ It is time to move the conversation forward over whether or not Housing First works – it does – and ensure that Housing First programs are sufficiently funded so that homelessness does in fact become brief, rare, and nonrecurring.

Differences

Lexington and Louisville serve 1 county each, respectively. They are able to have a single point of entry for people experiencing homelessness, i.e. a shelter bed hotline, a common assessment team that prioritizes people for HUD-funded homelessness assistance. In contrast, the Balance-of-State CoC is divided into 15 regions, with a no-wrong-door system of regional Coordinated Entry access points to homeless assistance. In such a large CoC, however, access varies based on local providers' capacity and willingness to administer CoC funding (see section III.B.). In the Balance-of-State CoC, especially in counties with no emergency shelter, people may couchsurf or be doubled up with friends or family, more so than in our cities. It is harder to document homelessness for CoC or ESG assistance in communities without shelter or robust street outreach teams. In communities with a homeless shelter, there may not an adequate number of beds, or types of facilities for people to get shelter based on their household composition. The number of projects entering data into HMIS varies between CoCs; in the Balance-of-State, if programs are not receiving CoC or ESG funding, they are likely to not participate in HMIS, which can lead to limitations in access to homeless assistance vouchers and meaningful data.

Other Federal Resources

ESG-CV: Lexington, Louisville, and the Balance-of-State have been using additional ESG-CV passed through the CARES Act to prevent, prepare, and respond to coronavirus. In addition to bolstering and decompressing its shelter capacity, the Balance-of-State was able to make Rapid Re-Housing (RRH) vouchers available in all fifteen regions for the first time since the passage of the HEARTH Act. Additionally, the Balance-of-State funded street outreach teams in several of the regions, the first time such street outreach was funded and therefore available to provide services in rural communities.

Emergency Housing Vouchers: We support the policy that Public Housing Authorities (PHA) who have been awarded must cooperate with the CoC and the Coordinated Entry process to prioritize these valuable vouchers for people experiencing homelessness. Kentucky has received 582 of these vouchers. In the Balance-of-State, KHC as the CoC Collaborative Applicant and PHA for 87 counties, has used its Coordinated Entry process to work with local providers, as well as its internal PHA team to allocate Emergency Housing Vouchers. The challenge has been matching households who do not meet the PHA's criteria, as discussed in Section III.C.

¹¹ National Low Income Housing Coalition and National Alliance to End Homelessness. (2020, January 28). The Case for Housing First. Retrieved from <https://endhomelessness.org/wp-content/uploads/2020/03/Housing-First-Research-NAEH-NLIHC-Handout.pdf>

Emergency Rental Assistance: One of the goals of CoCs and homeless service providers is to prevent homelessness from occurring. The state's Emergency Rental Assistance Program, funded through the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) and the American Rescue Plan Act (ARPA), has committed \$145.5M in landlord and renter relief for households at risk of eviction for nonpayment due to COVID-19 hardship. The CoCs have expanded their role in homeless service provision to (a) in the case of KHC, administer Emergency Rental Assistance or (b) collaborate with Lexington and Louisville local governments to get the assistance distributed before people become homeless. Traditionally, ESG recipients might be able to distribute a fraction of their grant to agencies under the Prevention component. This is the first time Kentucky has had meaningful rental assistance designed to pay substantial rent arrears.

Medicaid: In Kentucky, we coordinate with Medicaid stakeholders for the benefit of people experiencing homelessness. This includes meeting with the state Department for Medicaid Services monthly, to analyzing Managed Care Organizations' plans and advocating for contracts that address homelessness and housing issues, and collaborating with consumer health advocacy groups to strengthen Kentucky Medicaid implementation. Currently, we are working with partners to obtain a supportive housing waiver through either Section 1915(c) or 1115 specifically for people with Severe Mental Illness, including those who are experiencing chronic homelessness. While we have regional Community Mental Health Centers, and other local behavioral health providers, and some do participate in the CoC and provide homeless assistance, our goal is to strengthen homeless service providers so that Medicaid can pay for the ongoing support services needed for housing stability.

Recent research on Medicaid implementation across the states indicate Medicaid coverage and housing security are linked. In 2019, researchers "found a 2.9% reduction in evictions per capita associated with early expansion [of Medicaid]." ¹² While Medicaid may positively reduce the number of evictions, evictions may disrupt and drive up Medicaid costs for federal and state governments: "[p]reventing evictions may improve access to care and lower Medicaid costs." ¹³

Supplemental Nutrition Assistance Program (SNAP): To the extent that Kentucky's local eligibility offices are adequately staffed and able to take applications, SNAP has been beneficial to people who have recently been housed and have a fixed mailing address. While expedited SNAP is designed for people currently experiencing homelessness, the inability to do face-to-face interviews and staffing shortages to take phone applications, as well as lack of mailing address for some folks remains a challenge. The Division of Family Support Director, who oversees Kentucky's implementation of SNAP, serves as the co-chair of the Kentucky Interagency Council on Homelessness.

¹² Schwartz, G. L., Feldman, J. M., Wang, S. S., & Glied, S. A. (2022, February). Eviction, healthcare utilization, and disenrollment among New York City Medicaid Patients. *American Journal of Preventive Medicine*, 157-164. doi:<https://doi.org/10.1016/j.amepre.2021.07.018>

¹³ Allen, H. L., Zewde, N., & Gross, T. (2019, September). Can Medicaid expansion prevent housing evictions? *Health Affairs*, 38(9). doi:<https://doi.org/10.1377/hlthaff.2018.05071>

HHCK's Experience with CoC, HOME Tenant-Based Rental Assistance, and ESG-CV Funding

Because of our statewide footprint and experience in working in rural communities, KHC as the CoC Collaborative Applicant and ESG lead has approached HHCK multiple times in the last ten years to directly serve people experiencing homelessness. This is something we do when there is a clear gap in services, and we know that we can address geographic inequities. We have administered permanent supportive housing for chronically homeless households with a disabling condition in the Balance-of-State since 2013 using CoC funds after KHC turned over their project to us as a subrecipient. This program has largely been successful; its limitation has been in the number of new vouchers issued and available for use under the CoC renewal model. Since the central Kentucky region was the first to implement the Coordinated Entry process, many of our program participants reside in this region. In 2016, in response to lack of vouchers available, we began using HOME Tenant-Based Rental Assistance slots. In 2020, KHC again approached us to administer ESG-CV funds passed through the CARES Act to respond to COVID-19. This would add much needed Rapid Re-Housing (RRH) vouchers to the Central Kentucky region, and provide RRH vouchers for the first time to regions in South Central and Western Kentucky. Seeing that there were no local providers with the capacity to take on this funding, yet not wanting rural Kentuckians left out from access to homeless assistance, we accepted and our grants were executed in November 2020. After expanding our staff to serve in these projects, our primary challenge has been locating rental homes that meet rent reasonableness requirements, habitability standards, and a willing landlord. At this time, we are providing assistance to 150 households across Kentucky, but we have 50 households in process and searching for housing. Not wanting to hoard federal funding, we have voluntarily returned some grant funding back to KHC to be used in other parts of the state and to supplement shelter activities, but the fact is that all RRH subrecipients are struggling to rehouse households in this environment. The affordable housing shortage is all too real for the folks whose homelessness is prolonged.

B. Efforts to Affirmatively Further Fair Housing

The CoCs in Kentucky are critical in the effort to Affirmatively Further Fair Housing through the spirit of the current Interim Final Rule, primarily by funding projects that use Housing First principles. This includes not screening people out based on past involvement with the criminal justice system, which has a disproportionate impact on Black Kentuckians,¹⁴ and adhering to the Office of General Counsel Guidance issued in 2016, which stated that “a discriminatory effect resulting from a policy or practice that denies housing to anyone with a prior arrest or any kind of criminal conviction cannot be justified, and therefore such a practice would violate the Fair Housing Act.” Secondly, using client choice for the basis of housing search and placement allows for people to live in places of opportunity and mitigate the effects of longstanding racist housing policy, to the extent that such housing exists that meets voucher use requirements.

¹⁴ Mitchell, C., Thomas, P., Spalding, A., & Pugel, D. (2021, December 9). In Decade Since Major Criminal Justice Reform, the Kentucky General Assembly Has Passed Six Times as Many Laws Increasing Incarceration as Decreasing It. Retrieved from KyPolicy: <https://kypolicy.org/kentucky-general-assembly-has-passed-six-times-as-many-laws-increasing-incarceration-as-decreasing-it-since-2011/>

Additionally, the CoCs have embraced HUD's Equal Access Rule as it currently stands through contractual measures as well as funding programs that serve all types of households and people, regardless of a person's sexual orientation, gender identity, or marital status. One example of this is the expansion of ESG-CV RRH projects with the requirement to serve all household types.

It should be noted that the CoC resources alone cannot possibly end discrimination in the larger housing market, but CoCs and homeless service providers should be leading the way in implementing anti-discriminatory shelter and housing options while advocating for systemic changes at the federal, state, and local levels of government.

III. Barriers Local Service Providers Face

A. Lack of Affordable Housing

As the members of this subcommittee are well aware, the housing crisis is prevalent nationwide. In Kentucky, where our cost of living is theoretically lower than the coasts, prior to the pandemic, we were short 77,701 affordable and available rental homes for Kentuckians at or below 30% of the Area Median Income.¹⁵ The average wage renters earn in Kentucky is \$14.25 per hour, while the hourly wage required to pay for a 2 bedroom rental home is \$15.78.¹⁶ Service and care sector jobs, where many labor shortages are occurring, have a median hourly wage of \$9-10 per hour. It is also important to recognize that not all job openings with living wages are spread equitably across regions within a state, and this is acutely true in areas of longstanding depressed economies, such as Appalachian Kentucky. Kentucky renters who are not fortunate enough have a Housing Choice Voucher start off at a deficit from the beginning. We know that 1 in 4 Kentuckians are paying more than 30% of their income toward housing, including those who have a mortgage according to the Housing Assistance Council's Rural Data Portal, and 6 out of 10 extremely low income renters are paying more than 50%.¹⁷ Further, we are dealing with the legacy of longstanding racist practices in the public and private housing sectors, which has both decoupled the ability for employment to fully cover housing costs and resulted in 38.2% Black homeownership rate¹⁸ in the context of a 72.5% overall state homeownership rate.¹⁹

The high cost of housing and subsequent shortage is what drives homelessness, both in terms of who loses housing and enters the CoC system, as well as who gets housed with

¹⁵ National Low Income Housing Coalition. (n.d.). Housing Needs By State / Kentucky. Retrieved from National Low Income Housing Coalition: <https://nlihc.org/housing-needs-by-state/kentucky>

¹⁶ National Low Income Housing Coalition. (n.d.). Out of Reach 2021: Kentucky. Retrieved from National Low Income Housing Coalition: <https://reports.nlihc.org/oor/kentucky>

¹⁷ National Low Income Housing Coalition. (n.d.). Housing Needs By State / Kentucky. Retrieved from National Low Income Housing Coalition: <https://nlihc.org/housing-needs-by-state/kentucky>

¹⁸ U.S. Census Bureau. (2019). Tenure (Black or African American Alone Householder). Retrieved from American Community Survey: <https://data.census.gov/cedsci/table?q=B25003b&g=0400000US21&d=ACS%201-Year%20Estimates%20Detailed%20Tables&tid=ACSDT1Y2019.B25003B>

¹⁹ Federal Reserve Bank of St. Louis. (2021, March 9). Homeownership Rate for Kentucky. Retrieved from FRED Economic Data: <https://fred.stlouisfed.org/series/KYHOWN>

CoC resources. Thanks to Congressional action, we have one piece of the policy solution in the form of a substantial amount of ESG-CV RRH, but without available homes, people's homelessness is prolonged. This is an indicator of larger housing market failures, which the federal government has the responsibility and the imperative to correct through fully funding housing assistance as an entitlement in a housing market with the capacity and will to support vouchers for all who need them.

B. Capacity Issues

For many years, homeless service providers have been working within the confines of austere budgets and contractual obligations to serve a certain amount of people. While funders and the organizations themselves want to see direct assistance go to as many households as possible, that may put a constraint on the number of staff and/or their compensation.

With the implementation of ESG-CV, CRRSAA, and ARPA, there is suddenly more money than has been available in years to do this work. But after years of hollowing out through attrition the federal government and HUD in particular, the quasigovernmental agencies who pass through these funds, and the nonprofits themselves, it is difficult to suddenly reverse course and start building up numbers of experienced staff and compensation packages to compete with the private sector. The House Financial Services Committee has observed this phenomenon in the deployment of Emergency Rental Assistance; state housing finance agencies on skeleton staff had to quickly pivot and hire and train inexperienced new employees to administer the funds. This work is hard and requires multiple skillsets within the same organization, and sometimes within the same employee, and it takes time and experience to build up the skills to administer high quality federally-funded homeless assistance. In my own organization, we have increased from 2.5 FTE in our housing services team when I started in 2017 to 13.0 FTE as of January 2022. We are grateful for the federal funding to be able to bring on new staff and retain staff. But while we have grown in direct service, our administrative profile remains the same while the day-to-day work to support clients and direct service staff increases. Artificially low caps on administrative costs do not help this situation, especially when reporting and accountability are so critical to assuring the funds are well-spent.

C. Institutional Silos

Public Housing Authorities and CoCs

It stands to reason that Public Housing Authorities (PHA) should share the CoC's mission of ending homelessness. However, due to longstanding policies at the local level, that may not always be the case. One of the biggest mismatches we see between PHAs and CoC and ESG vouchers relates to involvement with the criminal justice system. Under the Clinton Administration's "One Strike and You're Out" policy, 103 PHAs in Kentucky, or 70% of our PHAs, adopted 1 strike policies.²⁰ While they were quick to enact such policies, they have not been so quick to rescind them. When trying to help people obtain public housing that can respond to changes in income and rising housing

²⁰ U.S. Department of Housing and Urban Development Office of Public and Indian Housing. (1997, September). Meeting the Challenge: Public housing authorities respond to the "One Strike and You're Out" initiative. Retrieved from NCJRS.gov: <https://www.ojp.gov/pdffiles1/Photocopy/183952NCJRS.pdf>

costs, our staff dread the criminal background check piece because they know what our clients face as barriers to entry. The highly localized nature of approximately 150 PHAs, each with their own admission criteria, makes federal action to correct this issue imperative.

The PHA in my community explicitly states: “The HA is neither required nor obligated to assist families who: ... E. Have been convicted of drug-related criminal activity or violent criminal activity” and requires a three-year waiting period for applying if they have been previously evicted from public housing or Section 8 because of drug-related criminal activity.²¹ Three years is a long time to be excluded from even applying for mainstream housing assistance.

Further, PHAs should have the duty to work with clients to avoid eviction, just as CoC programs work with participants to avoid evictions. Anecdotally – because we do not have a comprehensive, accessible system of eviction filings on either a state or nationwide basis – we perceive that too often many of the court filings we see in Central Kentucky are initiated by local PHAs.

Medicaid and Supportive Housing Competing Policy Priorities

Many states have amended their state plans to coordinate housing and supportive services for people experiencing homelessness, and Kentucky hopes to join the ranks of states that have used the waiver process to enhance services to target populations. Within the existing structure, there are a significant number of behavioral health services organizations participating in the CoC and offering housing to their clients. But compliance with billing practices may conflict with voluntary supportive services and meeting people where they are. We encounter people who need behavioral health case management but have been “non-compliant” with therapy and Medicaid, and therefore are cut off from the services they need and want. The profit motives embedded into the Managed Care Organization (MCO) model may not always produce the best outcomes for people who need ongoing case management and tenancy support services, for which Medicaid should pay. In Kentucky, prior to the pandemic, some MCOs would approve Targeted Case Management, a billable service under Kentucky Medicaid for only 1 month. As members of this committee understand, voluntary case management for any type of family after any duration of homelessness needs to last longer than one month. Since the onset of the pandemic, Kentucky Medicaid has agreed to suspend the prior authorization requirements regarding behavioral health services and study the Targeted Case Management data and health outcomes while the state of emergency lasts – a temporary victory we hope to make permanent. This is one critical example of institutional silos among programs that should have compatible policy goals.

²¹ Frankfort Housing Authority. (2017, November 3). Admissions and Continued Occupancy Policy (ACOP). Retrieved from Housing Authority of Frankfort: <https://frankforthousing.org/wp-content/uploads/2020/10/ACOP-NEW.pdf>

IV. New Challenges under COVID-19

Making Public Health Decisions as an Employer and Service Provider

In April 2020, a reporter from the Lexington Herald-Leader contacted me about the novel coronavirus and how it could affect people experiencing homelessness and the providers that serve them. At the time, I stated “Shelters were already operating on razor-thin margins.... Now with the demand for homeless services and the need to isolate people, we don’t have the facilities or staffing to handle this during a pandemic.”²² Unfortunately, this statement is accurate 21 months later.

Congressional action in the form of ESG-CV has been a godsend in terms of financial assistance, and allowed for rural shelters to finally receive more than an annual \$50-100,000 grant to operate. But as the virus mutates, homeless service providers have had to adapt repeatedly. With the onset of the latest surge in cases, my own organization has been hit; 3 out of 20 of us had mild to severe cases of COVID in December alone. Kentucky’s positivity rate hit 30% on January 18. This does not account for the ancillary public health and workforce issues, including isolation needed due to exposures and needing to care for family members, rotating staff so as to not have too many people in the office simultaneously while allowing for people to be absent, whether planned or unplanned, and the compounding instability in the child care and K-12 environment for our staff who are parents of small children. It is still less challenging to operate in this environment than it is for emergency shelters who are often tasked with staffing 24/7/365 and in much tighter quarters than a traditional office space.

I can attest that as someone with a deep sense of duty to the folks we serve and the staff who work here, I struggle with maintaining the balance between being open to walk-in visits and mitigating the spread of COVID-19, especially knowing people who are experiencing or have experienced homelessness are more likely to die than the general population. If we were solely an advocacy organization, it would be an easy decision to keep staff working remotely indefinitely. But I also know that when we were open by appointment only before vaccines were widely available, and we were not able to do intensive in-home case management visits, the quality of our service delivery suffered. Advocacy can be done from anywhere; meeting the needs of vulnerable people requires an open office. I am balancing all of this while knowing that I have an ethical imperative to mitigate the risks of spreading COVID-19 among our participants and staff and minimizing the chances they contract it through the workplace.

As I work with many direct service providers in tougher situations, including those operating congregate shelter, I know that they are exhausted for having to think like a public health expert and lurch from crisis to crisis. This work was hard prior to a global pandemic, and the constant stress has profoundly increased the difficulty.

²² Musgrave, B. (2020, April 6). Kentucky homeless shelters on the brink: 'We need help now' or COVID-19 will spread. Retrieved from Lexington Herald-Leader: <https://www.kentucky.com/news/coronavirus/article241716361.html>

Western Kentucky Tornado Disaster

The tornadoes that ravaged a four state area in December hit rural communities in Western Kentucky particularly hard and killed at least 77 Kentuckians.²³ While the Federal Emergency Management Agency (FEMA) and Kentucky Emergency Management are still in the assessment phase, we know from our staff on the ground that there were significant rental home losses in Graves County in particular. This is also the area where we have experienced difficulty expending rental assistance due to the housing shortage. The trauma of such a widespread physical disaster has compounded the effects of COVID-19 on our work in Western Kentucky, as well as other agencies, and the need for long-term, sustained recovery that centers extremely low-income Kentuckians has the potential to affect housing organizations' capacity for years after the disaster. We will advocate for the best possible use of Kentucky's HOME-ARP allocation, but what this and other physical disasters require is long-term housing investments, such as what is in the Build Back Better Act.

V. Legislative Recommendations

Pass H. R. 5376, the Build Back Better Act with Housing Provisions – The provisions include \$25B to bridge the gap between income and housing costs through vouchers for 24,000 Kentuckians.²⁴ The housing provisions would increase Kentucky's National Housing Trust Fund allocation from \$6.7 million to \$376 million,²⁵ restore \$65B nationally to aging public housing for seniors and people with disabilities, and start to sufficiently fund rural housing programs. All of these provisions are critical to establishing housing stability and economic mobility, and advancing racial, education, and health equity. We also know we cannot end homelessness without adding to the housing stock for the lowest income Kentuckians first.

Pass H. R. 4496, the Ending Homelessness Act of 2021 – Housing is a human right, and therefore mainstream housing assistance should be treated and funded as such. Much of my work is spent educating others on our broken housing system, and many in other fields ask why housing assistance is so difficult for people to access. Unlike Medicare, Medicaid, and SNAP, public housing and Housing Choice Vouchers are “the Golden Ticket,” where luck is more of a factor than eligibility or need. Further, it would prohibit landlord discrimination against voucher holders by adding Source of Income as a protected class to the Fair Housing Act, which would help create the conditions for which vouchers can fulfill their promise of choice and opportunity.

²³ Bellware, K. (2021, December 18). In rural Kentucky, small towns were already on the margins. Then came the tornadoes. Retrieved from Washington Post: <https://www.washingtonpost.com/nation/2021/12/18/cambridge-shores-tornado/>

²⁴ Oliva, A. (2021, November 4). BBB Includes Major Investments in Housing Affordability. Retrieved from Center on Budget and Policy Priorities: <https://www.cbpp.org/blog/bbb-includes-major-investments-in-housing-affordability>


²⁵ National Low Income Housing Coalition. (2021, October 26). National Housing Trust Fund Estimated Allocations. Retrieved from National Low Income Housing Coalition: https://nlihc.org/sites/default/files/housed_NHTF_allocations-15B.pdf

Pass the Housing Emergencies Lifeline Program Act of 2021 – One of the largest challenges during the course of the pandemic has been obtaining comprehensive eviction data. As discussed in Section III.C., what we do know is often anecdotal and reliant on observation, which cannot begin to paint a full picture. At the very least, we should have an understanding of what covered housing assistance providers are producing the highest volume of eviction activity, in an effort to bridge the silos of housing assistance and the court system. It also would strengthen the capacity of legal services corporations to begin to address the unmet demand for civil representation in housing matters.

VI. Conclusion

At HHCK, we believe that ending homelessness is our moral imperative to carry. We know what works in Kentucky communities, whether in larger cities like Louisville to our small rural towns in the Eastern and Western parts of the state. Given the challenges the United States faces in coming out of the pandemic, now is the time to correct course away from the affordable housing crisis and provide the foundation to end homelessness through legislation and correctly-scaled funding. Thank you for your consideration of our remarks this morning.

Appendix A

OHDA Homeless Indicator Statistics Reference Sheet		
Table 1. Demographics and Total Number of Identified Individuals in Kentucky¹¹		
Characteristics	Count (#)	Percent (%)
Sex		
Female	1,490	35.8%
Male	2,672	64.2%
Race		
Black	596	14.3%
White	3,526	84.7%
Neither Black nor White ¹²	40	1.0%
Age		
0 – 17 years	71	1.7%
18 – 35 years	1,356	32.6%
36 – 44 years	942	22.6%
45 – 64 years	1,594	38.3%
65+ years	199	4.8%
Primary Health Insurance		
Medicaid ¹³	2,805	67.4%
Medicare ¹⁴	780	18.7%
Commercial	325	7.8%
Other ¹⁵	252	6.1%
Total	4,162	100%
¹¹ Individuals identified by OHDA to meet criteria as experiencing homelessness during their episode of hospital care.		
¹² Includes individual identified as “American Indian or Alaska Native”, “Asian”, “Native Hawaiian or Pacific Islander”, and “Other”.		
¹³ Includes the sum of fee for service Medicaid plans and managed care organization Medicaid plans.		
¹⁴ Includes Medicare Advantage plans.		
¹⁵ Includes designations of “Other”, “Self-Pay”, “Charity”, and “Pending”.		
Note: The number of individuals identified as “Ethnicity = Hispanic” was sufficiently small that it could not be independently identified in this table. Therefore, racial demographics presented in this table include the sum of Hispanic and non-Hispanic individuals.		
Table 2. Top Ten Most Common Diagnoses Among Patients Experiencing Homelessness		
MS-DRG ²¹	Diagnosis (Abbreviated)	Count of Discharges
1. 885	Psychoses	3,552
2. 897	Alcohol/Drug Abuse or Dependence	2,130
3. 871	Septicemia (<i>without mechanical ventilation > 96 hours, with major comorbidities / complications</i>)	346
4. 881	Depressive Neuroses	292
5. 894	Alcohol/Drug Abuse or Dependence (<i>left against medical advice</i>)	237
6. 638	Diabetes (<i>with comorbidities/ complications</i>)	201
7. 291	Heart Failure & Shock (<i>with comorbidities/ complications</i>)	156
8. 603	Cellulitis	154
9. 918	Poisoning & Toxic Effects of Drugs	149
10. 872	Septicemia (<i>without mechanical ventilation >96 hours, without major comorbidities / complications</i>)	144
²¹ Medicare Severity Diagnostic Related Group		
Note: The sum of these 10 diagnostic categories (7,359) accounts for ~65% of all total discharges for this sample in 2019.		
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OHDA Homeless Indicator
Statistics Reference Sheet

Table 3. Race and Identification as a Patient Experiencing Homelessness

	Black Patients	%	White Patients	%
Patient Identified by Homelessness Indicator				
Yes	596	1.66%	3,526	0.98%
No	35,347	98.34%	355,480	99.02%
Total	35,943	100%	359,006	100%

Note: Due to sample size issues, Table 3 displays Black and White patients where those of Hispanic ethnicity and those of non-Hispanic ethnicity are summed together. Because Black and White racial groups are the two largest groups in terms of population size in this demographic category – and by comparison all other groups combined are so small – only Black and White patients are compared in this calculation. A chi-squared analysis results in a value of $\chi^2 = 144.6$; $p < 0.001$ – a statistically significant difference between Black and White patients. It is important to note that this statistic has at least two important limitations: (1) the sample of patients described here does not represent a random sampling of the population of Kentucky, which limits our ability to make strong conclusions about whether this result demonstrates true racial disproportionality, and; (2) this analysis does not consider important covariates and their relationship with homelessness (e.g., health insurance status, medical diagnosis, economic factors, etc.).

Figure 1. Race and Identification as a Patient Experiencing Homelessness (Odds Ratio)

$$\frac{\text{Black Patients}}{\text{White Patients}} = \frac{596/35,347}{3,526/355,480} = \frac{0.0168614}{0.0099189} = 1.699$$

$$\text{OR} = 1.699; 95\% \text{ Confidence Interval} = 1.5575 - 1.8553; p < 0.0001$$

Note: The odds ratio above describes the odds of being identified as a patient experiencing homelessness. What this odds ratio (OR) indicates is that the odds of a Black hospital patient being identified as experiencing homelessness was 70% higher than the odds for a White patient. This difference is statistically significant – suggesting that this particular manifestation of homelessness was experienced to a greater degree by Black patients than White patients. It is important to note that this statistic has at least two important limitations: (1) because the OHDA homelessness indicator is entirely reliant on hospital records data – it is possible that this observed difference may be related to bias in documentation practices, and; (2) this analysis also does not consider important covariates and their relationship with homelessness (e.g., health insurance status, medical diagnosis, economic factors, etc.).

Table 4. Race and Health Insurance Coverage Among Patients Experiencing Homelessness^{41,42}

Patient Race	Medicaid ⁴³		Medicare ⁴⁴		Commercial		Other ⁴⁵	
	#	%	#	%	#	%	#	%
Black	368	61.74%	142	23.83%	49	8.22%	37	6.21%
White	2,408	68.29%	636	18.04%	272	7.71%	210	5.96%
Total	2,775		778		321		248	

⁴¹Individuals identified by OHDA to meet criteria as experiencing homelessness during their episode of hospital care

⁴²40 individuals were identified as “Neither Black nor White” (see Table 1) – they are not included in this analysis in order to maintain consistency with Table 3.

⁴³Includes the sum of fee for service Medicaid plans and managed care organization Medicaid plans

⁴⁴Includes Medicare Advantage plans

⁴⁵Includes designations of “Other”; “Self-Pay”; “Charity”; and “Pending”

Note: The number of individuals identified as “Ethnicity = Hispanic” was sufficiently small that it was not able to contribute adequate value for interpretation in this table. Therefore, racial demographics presented in this table include the sum of Hispanic and non-Hispanic individuals. Table 4 describes that a greater percentage of Black patients were insured by Medicare as compared to White patients, while a greater percentage of White patients were insured by Medicaid as compared to Black patients in this sample.



This document is a companion to the primary data brief on the creation of the Homelessness Indicator in the HFSD data.

2 | April 2021

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February 2, 2022

Ending Homelessness: Addressing Local Challenges in Housing the Most Vulnerable

Testimony of Marc Dones, Chief Executive Officer of the King County
Regional Homeless Authority,
Before the House Financial Services Subcommittee on Housing,
Community Development and Insurance

Thank you to the Chair and the rest of the Subcommittee for the opportunity to come and speak today. This could not come at a timelier moment in our nation's steps towards recovery from the crisis of the last two years. My name is Marc Dones and I have the honor of serving as the Chief Executive Officer of the King County Regional Homelessness Authority. Created via legislation in 2019 the Authority is charged with oversight of the entirety of the homelessness system in King County (inclusive of the city of Seattle and the other 38 cities in the county and our unincorporated areas). Prior to launching the Authority in 2021 I have had the pleasure of serving in various leadership positions across the human services sector, including work in gang violence prevention, substance use disorder treatment, and child welfare system reform, in addition to my work in housing and homelessness.

Overview

In order to solve homelessness, we must accurately understand what we are currently facing: **a growing crisis of national proportions aided and abetted by policy choices that have misunderstood the root causes of homelessness and under-resourced the solutions that are most effective.** Our resources in the homelessness space have been overfocused on service systems that offer sub-clinical support while leaving systems and providers under resourced to provide the actual *housing* solutions that people need¹.

As the system administrator for the third largest Continuum of Care² in the country I feel obligated to carry the banner of the hundreds of provider agencies and the thousands of people

¹ "What Housing First Really Means." National Alliance to End Homelessness, March 18, 2019. <https://endhomelessness.org/what-housing-first-really-means/>.

² United States. 2020. *The annual homeless assessment report to Congress*. [Washington, D.C.]: U.S. Dept. of Housing and Urban Development, Office of Community Planning and Development. <https://www.huduser.gov/portal/sites/default/files/pdf/2020-AHAR-Part-1.pdf>.

we send out to do this good work every day. And so, I'm here to tell you that it simply doesn't matter how many social workers attend to a person's needs, how many outreach workers are available to connect with our unsheltered neighbors, if we don't have anything for those folks to connect anyone to. And indeed, that is precisely where we stand today. The fundamental reality is that there is no number of social workers who will ever transform into a house. **Until we prioritize stabilizing the housing market for lower income individuals, we will not end homelessness—we will simply manage it. And that is an unacceptable policy solution.**

We must also recognize that homelessness is incontrovertibly a racial justice issue and an issue of justice broadly. **Homelessness disproportionately impacts people of color as a direct result of this country's history of racialized exclusion from housing**³. While Black people represent only 12% of the general population, we routinely make up 30 – 40% (or more) of the homelessness population. Native people who make up only 1% of the general population often make up 3 – 6% of the population experiencing homelessness³.

We must not forget that it wasn't until 1968 with the passage of the Fair Housing Act that this country stepped towards ensuring that people of color, and particularly Black and Native people, had access to the same housing finance tools as white Americans⁴. This legacy is alive today in the patterns of generational wealth that communities do or do not have access to in order to get through hard times like housing bubble bursts and global recessions⁵. Or global pandemics.

Our national strategy to end homelessness must be aligned with these fundamental realities and focused on ending the racist and racialized outcomes that continue to harm people, even as we sit here today. Put quite frankly, the time has come for America to decide whether it will live down to its racist history or live up to the dreams we all hold for it. And the decision to solve homelessness (or not) is a core component of that decision.

I'm hopeful that the decision we will make collectively is one that will continue to move us down the path of progress; progress that allows me to sit here speaking with you as a queer Black person who is grateful to have spent their life attempting to make government work for all of us. A person who is grateful to discuss some of the important needs my community has, and indeed all of our communities have, if we are to be successful in moving forward.

³ Demographics- MD3: United States. 2020. *The annual homeless assessment report to Congress*. [Washington, D.C.]: U.S. Dept. of Housing and Urban Development, Office of Community Planning and Development. <https://www.huduser.gov/portal/sites/default/files/pdf/2020-AHAR-Part-1.pdf>.

⁴ Rothstein, Richard. *The Color of Law: A forgotten history of how government segregated America*. New York, NY: Liveright Publishing Corporation, 2018. 48-60

⁵ White, Gillian B. "The Recession Was Much Worse for Black Americans." *The Atlantic*. Atlantic Media Company, June 24, 2015. <https://www.theatlantic.com/business/archive/2015/06/black-recession-housing-race/396725/>.

Acquisitions & Direct Benefits

First and foremost, we must understand that homelessness is an economic issue. It's about not having the money to pay the rent. At the local level, we see over and over again that many of the people in our shelter system, or frankly in our encampments, *are* working⁶. What they aren't making is a living wage to acquire housing⁷. We should be clear this is not simply an issue in our dense urban areas. King County is one of the largest counties in the county⁸ and whether you're attempting to live in Seattle or in one of more rural communities, the cost of living is increasingly out of reach⁷.

We also know that the belief that the majority of people experiencing homelessness have significant mental health or substance use concerns is untrue⁹. In my own research and the research of others what we tend to see is that even if people present with these concerns, they frequently begin *after* the experience of homelessness, not before¹⁰. **The reality is that every day we allow someone to experience homelessness, the harder it will be for us to connect them with the resources they need¹¹.**

Because of this we must transform our homelessness systems into true crisis response systems, as has been repeatedly called for in previous federal strategic plans, dating all the way back to the first *Opening Doors*¹². In order to do that we must equip systems with the necessary resources in order to act quickly and decisively when a person or family experiences homelessness. Particularly in the wake of COVID-19, systems need the resources to rapidly pivot and expand non-congregate options for people who experience homelessness. Jurisdictions across the country have seen success in rapidly acquiring and repurposing hotels, motels, and stalled market rate projects to repurpose as non-congregate shelter and housing supports for people experiencing homelessness. It is critical to double down on the resourcing of

⁶ Shier, Micheal L., Marion E. Jones, and John R. Graham. "Employment Difficulties Experienced by Employed Homeless People: Labor Market Factors That Contribute to and Maintain Homelessness." *Journal of Poverty* 16, no. 1 (2012): 27–47. <https://doi.org/10.1080/10875549.2012.640522>.

⁷ Out of Reach. (Washington DC: National Low Income Housing Coalition, 2020), https://nlihc.org/sites/default/files/oor/2021/Out-of-Reach_2021.pdf.

⁸ Bureau, US Census. "More than Half of U.S. Population in 4.6 Percent of Counties." Census.gov, October 8, 2021. <https://www.census.gov/library/stories/2017/10/big-and-small-counties.html>.

⁹ Didenko, Eugenia, and Nicole Pankratz. "Substance Use: Pathways to Homelessness? Or a Way of Adapting to Street Life?" Substance Use: Pathways to Homelessness? Or a Way of Adapting to Street Life? | Here to Help. Accessed December 14, 2016. <http://www.heretohelp.bc.ca/visions/housing-and-homelessness-vol4/substance-usepathways-homelessness>.

¹⁰ Addiction, Mental Health and Homelessness. (Washington, DC: National Health Care for the Homeless Council, 2007). www.nhchc.org.

¹¹ "Homelessness & Health - Nhchc.org." Accessed January 19, 2022. <https://nhchc.org/wp-content/uploads/2019/08/homelessness-and-health.pdf>.

¹² Opening doors: Interagency Council on Homelessness (U.S.). *Opening Doors: Federal Strategic Plan to Prevent and End Homelessness*. Washington, DC: U.S. Interagency Council on Homelessness, 2010.

communities to engage in this work now, to rapidly online resources that can bring people inside without having to slog through the typical development timelines¹³.

To some degree this a reinvestment in the SRO and other low-income housing stock that was wiped from the American landscape during the suburbanization of the 50's, 60's, and 70's. The loss of this low-income housing stock has played a significant role in the inability of Continuums of Care to exit people from homelessness without some form of subsidy, and in the rise of the modern formation of homelessness itself¹⁴.

As you'll hear from some of my colleagues today the increase in voucher availability could be a critical path to creating and maintaining this kind of housing infrastructure and the specific capacity to use new vouchers at both the individual level *and* through project-based strategies will be critical in supporting communities with complex and expensive housing markets¹⁵.

We should also be clear that the restoration of these kinds of housing options will not address some of the other underlying economic needs, particularly those that impact communities of color and other historically marginalized communities. **Given the increasingly fragile economic networks these communities are facing¹⁶ we must provide local jurisdictions with the resources to, through diversion and other direct cash assistance provided through the homelessness system, stabilize communities to slow the flow into homelessness.** These kinds of programs have been demonstrated time and again to be effective uses of public resources and prevent more expensive public investment further downstream¹⁷.

Quality Data & Targeting Resources

It is also critical that our systems continue to drive towards quality data that is useful for real time decision making. **Systems need federal support in taking the next steps in improving their HMIS data infrastructure and creating the culture of continuous quality improvement necessary to turn information into action.** Approaches tailored in this way have shown broad efficacy in health and human services and public health programming for years¹⁸.

¹³ "Covid-19 Homeless System Response: Unit Acquisition ..." Accessed January 19, 2022. https://www.usich.gov/resources/uploads/asset_library/COVID-19-Homeless-System-Response-Unit-Acquisition-Strategies-and-Examples-to-Support-Housing-Development.pdf.

¹⁴ Burt, Martha R. *Over the Edge: The Growth of Homelessness in the 1980s*. Russell Sage Foundation, 1993.

¹⁵ Will Fischer, Sonya Acosta, Erik Garland, Vouchers: More Housing Vouchers: Most Important Step to Help More People Afford Stable Homes (Washington DC: Center for Budget Policy and Priorities, 2021), <https://www.cbpp.org/sites/default/files/4-14-21/hous.pdf>.

¹⁶ Bogle, Mary. "Why Cash Assistance Is Essential to Moving Americans out of Poverty." Urban Institute, September 21, 2016. <https://www.urban.org/urban-wire/why-cash-assistance-essential-moving-americans-out-poverty>.

¹⁷ Allan Broslawsky, Cash Payments to People Experiencing Homelessness (Los Angeles California: University of Southern California, 2021), https://socialinnovation.usc.edu/wp-content/uploads/2021/05/Cash-Payments-Lit-Review_final.pdf.

¹⁸ Claudia Coulten, Robert Goerge. Harnessing Big Data for Social Good. (Washington, DC: Grand Challenge: Harness Technology for Social Good, 2015), <https://grandchallengesforsocialwork.org/wp-content/uploads/2015/12/WP11-with-cover.pdf>.

However, communities need more resourcing to drive their data work towards the sophistication we know is possible in 2022.

This data is critical for the appropriate targeting of resources, which absolutely must include the prioritization of people experiencing unsheltered homelessness. It is unacceptable for our policies to force people to live outside, and we must make a concerted effort to end unsheltered homelessness in America. The recent rise in unsheltered homelessness across the country¹⁹ should make it clear that when we don't target our resources towards those who are experiencing unsheltered homelessness or at high risk of becoming unsheltered, the result is a growing population living outside whose needs become more complex by the day.

Investing in People

Finally, we must invest in our workforce. In King County we currently have sites identified for programs that could support people but we're unable to support staffing them. For 30 years our field has been funded at levels that have not allowed us to keep up with wages in other sectors, and as a result we've seen our workforce pipeline collapse. System administrators from across the country have emailed me asking if I have any thoughts on how to maintain continuity of operations as providers hemorrhage staff who are no longer willing to tolerate making \$27,000/year to do some of the most complicated work.

The fact of the matter is that this is a system that is delivered by *people*. This work is done by people helping other people. There is no app or technological revolution that is going to replace that basic fact. House case managers, recovery coaches, peer navigators—these are all fancy terms for people who have decided that the thing they want to do with their lives is support others. And we as a country, as a society, must make a decision about whether we value that work—or not.

This too is a race and gender issue. The majority of our frontline staff across the country are women and women of color to boot²⁰. It is no accident that while other human service fields have experienced wage growth ours has been stagnant²¹. And candidly, without these people who do this work, no work will be done—and therefore we must prioritize them in our future budget actions at the federal, state, and local levels.

¹⁹ *The annual homeless assessment report to Congress*. [Washington, D.C.]: U.S. Dept. of Housing and Urban Development, Office of Community Planning and Development. <https://www.huduser.gov/portal/sites/default/files/pdf/2020-AHAR-Part-1.pdf>.

²⁰ Brown, Hayley, Shawn Fremstad, and Hye Jin RHO. "A Basic Demographic Profile of Workers in Frontline Industries." Center for Economic and Policy Research, July 14, 2020. <https://cepr.net/a-basic-demographic-profile-of-workers-in-frontline-industries/>.

²¹ Lawrence Mishel. *Causes of Wage Stagnation* (Washington, DC: Economic Policy Institute, 2015), https://files.epi.org/2013/causes_of_wage_stagnation.pdf.



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**WORK★WORKS
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**“Housing America: Addressing Challenges in Serving People Experiencing Homelessness” | United States House Financial Services Subcommittee on Housing, Community Development and Insurance Hearing
February 2, 2022**

Written Testimony Prepared by Harriet Karr-McDonald, President, The Doe Fund

Thank you for the opportunity to submit written testimony to the **United States House Financial Services Subcommittee on Housing, Community Development and Insurance** on the topic of homelessness.

I ask that we keep the concept of opportunity — one that leads to true independence — at the forefront of our minds and actions as we work together to implement successful solutions to this crisis.

The Doe Fund pioneered the **Work Works** approach in New York City 30 years ago, at a similar moment of urgency. Homelessness was painfully visible on almost every street corner, subway grate, and doorway. Grand Central Terminal in midtown Manhattan was a main stage upon which this humanitarian crisis played out before us.

Through interactions with hundreds, desperately trying to survive living in that Terminal, my late husband George McDonald and I deepened our understanding of the problem and implemented what — at that time — was an innovative solution.

This solution came directly from what the people told us they wanted and needed to escape their devastating circumstances: “A room and a job to pay for it.” We heard it over and over again: “A room and a job to pay for it.” So we found a way to provide it. The prevailing narrative at the time was that these people were “too lazy or crazy” to work. They proved they were neither, despite the vicious addictions many of them struggled with. It’s why we called the program *Ready, Willing & Able*.

Work came first, and that is what made all the difference. Before we received a contract to provide transitional housing, we got one that allowed us to extend the transformative opportunity of paid work. What 70 pioneers living in Grand Central Terminal did with that opportunity changed the misperception of who homeless people were and what they could accomplish. It is also what informed our blueprint



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for how to solve homelessness for single adults — a blueprint that The Doe Fund has used to develop what is today our nation's most recognized and celebrated work-based intervention.

The population served by *Ready, Willing & Able* remains demographically consistent with those 70 pioneers we recruited from Grand Central Terminal 30 years ago. This population makes up the majority of those experiencing homelessness in the US today¹: single adults — disproportionately people of color — who are physically and mentally able to work, realize their potential, obtain and pay for housing, and become contributing members of the society from which they have been marginalized for far too long.

Ready, Willing & Able was the first Work Works intervention. However, the story I want to share is about a current participant, Gregory Hopkins, who came to us not because he needed work, but because he needed transitional housing until he could earn and save enough money to rent his own apartment. Gregory's struggle with addiction trapped him in a decades-long cycle of homelessness, incarceration, and poverty. Although he was able to find jobs, he bounced around and couch-surfed with friends and family.

Gregory didn't qualify for Housing First policies, the most widely recognized and funded approach to solving homelessness. For a variety of reasons, he wasn't considered vulnerable enough. Unfortunately, this is the case for the 73% of the homeless population in the US not considered "chronically homeless,"² and thus typically ineligible for permanent supportive housing.³ (Even if they did qualify for Housing First policies, the overwhelming need for affordable and supportive housing in every part of the country far outstrips the current capacity to develop it.⁴)

I'd like to share how Gregory came to The Doe Fund. When New York City launched the City Cleanup Corps, a major initiative to provide paid work in pandemic recovery-related services to 10,000 low income and homeless individuals, he enrolled. The Doe Fund was asked by the City to supply manpower for the initiative, but also to serve as an employment conduit and recruit people outside of our programs. Gregory was one such recruit.

At the time, he didn't need a place to live because he was staying with his brother. But when his brother relocated out of state, Gregory hadn't saved enough for an apartment. Because he did not qualify for Housing First or any government-funded supportive housing program, he researched more about the The Doe Fund, which had recruited him for City Cleanup Corps, and decided to give our *Ready, Willing &*

¹ Single Adults. (2016, October 21; updated April 2021). National Alliance to End Homelessness. <https://endhomelessness.org/homelessness-in-america/who-experiences-homelessness/singleadults/>

² The U.S. Department of Housing and Urban Development Office of Community Planning and Development. (2021). *The 2020 Annual Homeless Assessment Report (AHAR) to Congress* (p. 20).

³ *Definition of Chronic Homelessness*. (n.d.). HUD Exchange; US Department of Housing and Urban Development. Retrieved January 23, 2022, from <https://www.hudexchange.info/homelessness-assistance/coc-esg-virtual-binders/coc-esg-homeless-eligibility/definition-of-chronic-homelessness/>

⁴ National Low Income Housing Coalition. (2021). *The Gap: A Shortage of Affordable Homes* (p. 3).



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Able program a try. He moved into our transitional housing, allowing him to continue saving money from his wages for his own apartment. Through *Ready, Willing & Able*, he was also able to access in-house social services that include case management, career training, and addiction treatment.

The week of December 6, 2021 was busy for Gregory. He was interviewed by a local news channel about his work with the City Cleanup Corps. He then visited his daughter, from whom he had been estranged for years. With the money he was earning, he was able to help her mom with expenses — which allowed him to get involved in their daughter’s life again. That weekend, Gregory attended his daughter’s ninth birthday party... where she told him he was her hero.

Gregory’s success is the result of his own hard work and determination in the face of great adversity. But it’s also the result of the Work Works model — a holistic “three-legged stool.”

The first element of Work Works is immediate access to paid work for participants. A Work Works model operates social enterprises that offer experience, training, and the ability to earn an income for approximately 30 hours per week. Social enterprises are businesses that integrate a social mission with a market-based, competitive, revenue earning business. Not only does work allow program participants to build resumes, references, and savings, it also empowers and often emotionally transforms them. Work Works enterprises can support up to 40% of total program operating cost through earned revenue.

The second element of Work Works is housing—which in this case means transitional, safe, affordable accommodations for program participants. The Work Works housing model includes converting commercial properties into dormitory-style residences at 20% of the cost of building traditional units. Living in Work Works housing that is part of the program from day one and provides a sense of community and a positive living environment to support participants as they transition out of homelessness or reenter after incarceration.

The third element of the program, support services, includes case management and life-skills training such as financial management, debt relief, and addiction recovery. Workforce Development services include Adult Basic Education and occupational training in a variety of fields. Participants are required to establish a savings account to ensure financial stability after they graduate and are living independently.

All of these elements working in tandem allows Work Works to successfully graduate participants into full-time jobs and housing after one year. The model has impacted the lives of 29,000 individuals like Gregory. It has been replicated in six communities (urban, suburban, and rural) throughout the US, with more to come.

In a recent “House America” webinar, a senior HUD representative presented statistics from the 2020 Point in Time count that shows we lack housing resources for 85% of the population of adults experiencing homelessness. This is partially due to the supply of units compared to the stated



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development target for housing development. But more importantly, this is also due to eligibility criteria that disqualifies people like Gregory, even if there was enough supply.

This may sound counterintuitive, but the Housing First approach alone is not the most successful, cost-effective, or even permanent solution to homelessness. As I mentioned, traditional housing models are only viable for an estimated 27% of adults experiencing homelessness, based on economic and eligibility criteria set by Federal policy.

Work Works is the best solution for the remaining 73%. Combining paid work, transitional housing, and comprehensive support services results in a 62% reduction in recidivism⁵⁶ at 40% less than what it costs a non-Ready, Willing & Able Department of Homeless Services shelter to place a single adult into permanent housing.⁷⁸

With policy support and funding, Work Works can be deployed quickly to make an immediate, measurable impact on communities of all kinds. Our recommendations include:

- Recognizing the holistic model of Work Works — which combines employment, housing, and supportive services — as a new, necessary category of the continuum of care that brings myriad benefits to communities in need.
- Broadening the current, restrictive definition and on-the-ground implementation of Housing First, including setting policy for a broader view of Housing First to allow complementary efforts for communities to provide and fund congregate living/transitional housing for special populations.
- Allocating funding to the Work Works model that can be accessed by states, counties, and municipalities for the purpose of launching and sustaining transitional paid work, coupled with housing and support.
- Leveraging funding from a broad range of sources — including Federal agencies and private/public ventures — to support Work Works, given that its holistic approach not only addresses homelessness but also offers economic development, workforce development, addiction recovery and reentry services, and many more benefits.

⁵ Kellam, et al. (2018). *Preliminary Recidivism Review: The Doe Fund's Ready, Willing & Able Program*. New York State Division of Criminal Justice Services.

⁶ Western, et al. (2010). *The Doe Fund's Ready, Willing & Able Program*. Harvard University.

⁷ Sarno, F., & Sompura, D. (2021). *Report of the Finance Division on the Fiscal 2022 Preliminary Plan, the Fiscal 2022 Preliminary Capital Budget, Fiscal 2022 Preliminary Capital Commitment Plan, and the Fiscal 2021 Preliminary Mayor's Management Report for the Department of Homeless Services* (p. 2). New York City Council. <https://council.nyc.gov/budget/wp-content/uploads/sites/54/2021/03/071-DHS.pdf>

⁸ Banks, S., & Carter, J. (2021). *Mayor's Management Report* (p. 27). New York City Department of Homeless Services. <https://council.nyc.gov/budget/wp-content/uploads/sites/54/2021/03/071-DHS.pdf>



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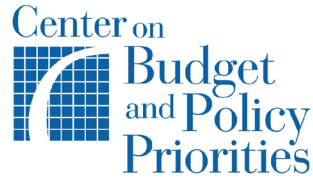


This is a moment of urgency and opportunity as America looks to end homelessness. Because people experiencing homelessness are not a monolith, there cannot be a one-size-fits-all solution. I ask that the Work Works approach be embraced — and funded — as a complementary resource to existing interventions.

We are poised to share our time-tested, cost-effective model, proven to work for the hundreds of thousands of people experiencing homelessness on any given night in America. Our approach restores dignity, fosters self-sufficiency, permanently ends cycles of intergenerational poverty and recidivism, alleviates racial and economic injustices, and helps our nation fulfill its promise of opportunity for all. In other words, Work Works.

Thank you.

—Harriet Karr-McDonald
President, The Doe Fund



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January 20, 2022

Ending Homelessness: Addressing Local Challenges in Housing the Most Vulnerable

**Testimony of Ann Oliva, Vice President of Housing Policy,
Center on Budget and Policy Priorities,
Before the House Financial Services Subcommittee on Housing,
Community Development and Insurance**

Thank you for the opportunity to testify today on this timely and important topic. My name is Ann Oliva; I am the Vice President for Housing Policy at the Center on Budget and Policy Priorities. The Center is an independent, nonprofit policy institute that conducts research and analysis on a range of federal and state policy issues affecting low- and moderate-income individuals and families. The Center's housing work focuses on increasing access to and improving the effectiveness of federal low-income rental assistance and homelessness programs. Prior to coming to the Center, I spent ten years as a senior career public servant at the U.S. Department of Housing and Urban Development (HUD), most recently as Deputy Assistant Secretary for Special Needs. At HUD, I oversaw the Department's homelessness and HIV/AIDS housing programs and helped to design and implement the HUD-VA Supportive Housing (HUD-VASH) program.

Overview

The nation is experiencing a homelessness crisis, one that predated the pandemic and will continue to worsen without continued intervention. In January 2020 — before the pandemic — 30 states across America saw a rise in homelessness from one year earlier and, *for the first time since we began tracking this data*, more single individuals¹ experiencing homelessness were *unsheltered* than sheltered and there were more people in families living unsheltered than the year prior.² Living on the streets is a brutal existence for men, women, families, and youth, and negatively impacts not only the people forced to live in these conditions but also the surrounding neighborhoods and

¹ HUD's definition of "individual" refers to a person who is not part of a family with children during an episode of homelessness. Individuals may be homeless as single adults, unaccompanied youth, or in multiple-adult or multiple-child households.

² Meghan Henry *et al.*, "The 2020 Annual Homeless Assessment Report (AHAR) to Congress, Part 1," Department of Housing and Urban Development, January 2021, <https://www.huduser.gov/portal/sites/default/files/pdf/2020-AHAR-Part-1.pdf>.

communities. But shelters are far from ideal as well. Shelters feature only short-term stays, and congregate settings can exacerbate health conditions rather than providing the kind of help people need to obtain housing. During the pandemic, congregate shelters have been especially problematic, as they can facilitate the spread of COVID-19.

But the pandemic also has showed us that long-term change is possible with investments in permanent and supportive housing. Substantial investments made as part of the nation's pandemic response — including in the Emergency Solutions Grants-COVID (ESG-CV) program, the Emergency Rental Assistance (ERA) Program, Emergency Housing Vouchers, and the HOME Investments Partnerships program — are helping communities to keep families experiencing instability housed and providing critical resources for families, youth, and individuals already experiencing homelessness.

The first allocation of ERA funds (called ERA-1) alone has served more than 1.5 million households³ and is credited with keeping the eviction rate lower than expected after the end of the national eviction moratorium. ERA-1 is providing well-targeted assistance — nearly 9 in 10 (88 percent) of the households served through September have incomes at or below 50 percent of the area median income. HUD reports that the Emergency Housing Voucher Program⁴ — still in early stages of implementation — has issued more than 20,000 vouchers to households experiencing or at risk of homelessness and more than 8,000 units have already been leased. ESG-CV has helped communities respond to the needs of people living unsheltered and in shelters, and HOME will help communities build permanent and supportive housing.

This approach — aligning emergency responses with longer-term supply side investments and rental assistance resources — will help communities execute comprehensive plans to address local needs. These resources are the right start, but more investment on an ongoing, rather than temporary, basis ultimately will be needed to build on the successes of these relief measures and fully address the homelessness crisis described in this testimony.

I want to thank this committee for its work on housing-related relief measures over the course of the pandemic, including in the bipartisan CARES Act and December 2020 relief package as well as the homelessness funding provided as part of the American Rescue Plan Act. I also want to thank Chairwoman Waters and Representatives Cleaver and Torres for their work on the Ending Homelessness Act of 2021, which would build on the investments made over the last two years and make bold changes to strengthen communities and improve the lives of those who are experiencing homelessness or at risk of homelessness. Expanding the Housing Choice Voucher program to provide a voucher to every eligible household, as this legislation would do, is the single most important step we can take to address the homelessness crisis. Congress should also enact the House's current fiscal year 2022 appropriations proposal for a 125,000-voucher increase and pass a large-scale, multi-year voucher expansion like the one included in the House-passed Build Back Better Act to make progress toward ending homelessness.

³ U.S. Department of the Treasury, "Emergency Rental Assistance Program," <https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments/emergency-rental-assistance-program>.

⁴ Data posted as of January 16, 2022. https://www.hud.gov/program_offices/public_indian_housing/ehv/dashboard

After a brief examination of the current national landscape on homelessness and housing instability, my testimony today will discuss:

- challenges facing homeless services providers and people experiencing homelessness in accessing housing and services;
- important legislative efforts;
- why universal vouchers are the most important step we can take toward ending homelessness;
- how voucher expansion would advance equity for historically marginalized people;
- how voucher expansion can reduce homelessness most effectively, based in part on recent discussions with people with lived experience of homelessness and voucher use; and
- how voucher expansion can increase opportunities for both preventing and exiting homelessness.

National Landscape on Homelessness and Housing Instability

HUD reports that more than 580,000 people (including members of families as well as individuals) were experiencing homelessness on a single night in January 2020, prior to the COVID-19 pandemic.⁵ Sixty-one percent were in sheltered locations, while 39 percent were unsheltered. They included nearly 172,000 people in families (60 percent of them children), more than 110,500 people experiencing chronic homelessness,⁶ and more than 37,000 veterans. Over the course of a year, nearly 1.45 million people experience sheltered homelessness at some time.⁷

These 2020 point-in-time data illustrate two significant shifts in the landscape of homelessness that were underway prior to the pandemic:

- **Homelessness increased in 30 states.** Unlike in prior years, between 2019 and 2020 the number of people experiencing homelessness increased in more states than it decreased.
- **Unsheltered homelessness is at crisis levels.** Unsheltered homelessness (which is less common among families with children) has increased every year since 2015. (See Figure 1.) In 2020, for the first time since the count began, there were more unsheltered single individuals (51 percent) than sheltered single individuals (49 percent) and there were more unsheltered people in families with children than the year prior. Between 2019 and 2020, unsheltered homelessness among white people increased 8 percent, while increases among Black and Hispanic/Latino people were 9 and 10 percent, respectively.

⁵ Henry *et al.*, *op. cit.*

⁶ People who are chronically homeless have experienced homelessness for at least a year, or repeatedly over several years, while struggling with a disabling condition such as a serious mental illness, substance use disorder, or physical disability. See National Alliance to End Homelessness, “Chronically Homeless,” <https://endhomelessness.org/homelessness-in-america/who-experiences-homelessness/chronically-homeless/>.

⁷ Meghan Henry, Anna Mahathay, and Meghan Takashima, “The 2018 Annual Homeless Assessment Report (AHAR) to Congress, Part 2,” Department of Housing and Urban Development, September 2020, <https://www.huduser.gov/portal/sites/default/files/pdf/2018-AHAR-Part-2.pdf>.

Recent data from the Census Bureau's Pulse Survey demonstrate the continued challenges families are facing to secure and afford stable housing during the pandemic as well as the outsized burden experienced by people of color, as well as children and seniors. Data collected between December 1-13, 2021 show that almost 12 million adult renters were behind on rent payments, and more than 40 percent of those renters reported that eviction is either very or somewhat likely to occur in the next two months.⁸ Throughout the pandemic, renters of color were more likely to report that their household was not caught up on rent. As of December, 30 percent of Black renters, 21 percent of Latino renters, and 14 percent of Asian renters said they were not caught up on rent, compared to 10 percent of white renters. The rate was 16 percent for American Indian, Alaska Native, Native Hawaiian, Pacific Islander, and multiracial adults taken together. Additionally, 18 percent of renters over 65 reported no or little confidence in their ability to pay next month's rent and roughly one-quarter of households behind on rent have children.⁹

It is important to understand the needs and characteristics of people experiencing homelessness and housing instability so that interventions can be designed and funded to address those needs.

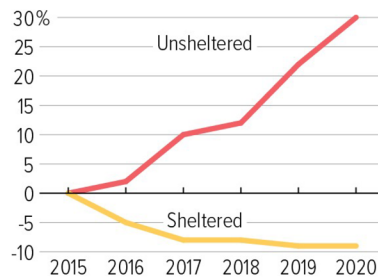
Families experiencing homelessness are typically headed by women and a large share include young children.¹⁰ About 501,100 people in 156,000 households with children used an emergency shelter or transitional housing in fiscal year 2018. Of those persons, 62 percent were children and nearly 30 percent were children under age 5. Nearly 90 percent of sheltered family households were headed by women.¹¹

Youth and young adults experience homelessness as family heads of household and as individuals.¹² In 2018, families with children headed by a parenting young adult aged 18 to 24 accounted for 17 percent of all family households experiencing sheltered homelessness; in addition, 113,330 unaccompanied youth experienced sheltered homelessness during the year. Unaccompanied youth experiencing sheltered homelessness were more likely to be people of color (Hispanic or Latino, Black or African

FIGURE 1

Unsheltered Homelessness Increased Every Year Since 2015

Percent change in people experiencing homelessness since 2015



Source: 2015-2020 Housing and Urban Development point-in-time data

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⁸ CBPP analysis of Census' Household Pulse Survey public use file, data collected December 1-December 13, 2021.

⁹ *Ibid.*

¹⁰ Henry, Mahathey, and Takashima, *op. cit.*

¹¹ HUD defines "head of household" as the member of the family or household to whom all other members of the household are associated in homeless management information systems. For families and adult-only households, the head of household must be an adult. In a child-only household, the parent of another child is designated as the head of household; otherwise, each child in a household without adults is designated as a head of household.

¹² *Ibid.*

American, multi-racial, or another race other than white) than youth in the general population. LGBTQ youth are at more than double the risk of homelessness compared to non-LGBTQ peers, and among youth experiencing homelessness, LGBTQ young people reported higher rates of trauma and adversity, including twice the rate of early death.¹³

People experiencing unsheltered homelessness have higher needs than sheltered persons and are often engaged by police in harmful ways. The California Policy Lab's analysis "Health Conditions of Unsheltered Adults in the U.S." reports that people experiencing unsheltered homelessness are "far more likely to report suffering from chronic health conditions, mental health issues, and experiences with trauma and substance abuse problems as compared to homeless people who are living in shelters."¹⁴

Further, the analysis shows that often the "[p]eople with the longest experiences of homelessness, most significant health conditions, and greatest vulnerabilities are not accessing and being served by emergency shelters. Rather than receiving shelter and appropriate care, unsheltered people with major health challenges are instead regularly engaged by police and emergency services." Relying on emergency systems like ambulances and police departments to respond to homelessness is costly to public systems and traumatizing to individuals experiencing homelessness. It also leads to outcomes like arrests and repeated hospitalizations instead of stable housing and appropriate health care.

People experiencing homelessness often work but still cannot afford housing. The recent paper "Learning about Homelessness Using Linked Survey and Administrative Data" found high rates of formal employment among people experiencing homelessness.¹⁵ The report's findings not only run counter to pervasive stereotypes about people experiencing homelessness, but also point to the need for a comprehensive and long-term approach to addressing the homelessness crisis:

- Fifty-three percent of adults experiencing sheltered homelessness had formal labor market earnings in the year they were observed as homeless.
- An estimated 40.4 percent of unsheltered persons had at least some formal employment in the year they were observed as homeless.
- However, the "administrative data reveal substantial material deprivation among people experiencing homelessness." People experiencing homelessness "appear to be having not just a year of deprivation and challenge, but a decade (at least)." In other words, homelessness is a symptom of persistent challenges, poverty, and insecurity.

Inflow into homelessness is significant, and many households are at risk. The homelessness crisis is deeply affected by the number of households entering homelessness from unstable housing

¹³ Matthew Morton *et al.*, "LGBTQ Young Adults Experience Homelessness at More than Twice the Rate of Peers," Chapin Hall at the University of Chicago, 2018, <https://www.chapinhall.org/research/lgbtq-young-adults-experience-homelessness-at-more-than-twice-the-rate-of-peers/>.

¹⁴ Janey Rountree, Nathan Hess, and Austin Lyke, "Health Conditions Among Unsheltered Adults in the U.S.," California Policy Lab, October 6, 2019, <https://www.capolicylab.org/health-conditions-among-unsheltered-adults-in-the-u-s/>.

¹⁵ Bruce D. Meyer *et al.*, "Learning about Homelessness Using Linked Survey and Administrative Data," National Bureau of Economic Research Working Paper No. 28861, May 2021, <https://www.nber.org/papers/w28861>.

situations. HUD’s “Worst Case Housing Needs 2021 Report to Congress” found that nearly 7.8 million households had worst case housing needs¹⁶ and that “the primary problem for worst case needs renters in 2019 was severe rent burden resulting from insufficient income relative to rent.”¹⁷ Research sponsored by Zillow finds that “communities where people spend more than 32 percent of their income on rent can expect a more rapid increase in homelessness.”¹⁸ The lack of affordable housing also underpins the pattern of people entering homelessness from other systems, including child welfare, jails and prisons, emergency rooms, and psychiatric hospitals.

The health and economic impacts of COVID-19 have been far reaching. Many families have experienced losses in earnings and have been unable to pay their rent at various points during the crisis. Policy interventions have helped — evictions fell substantially compared to pre-pandemic levels when the federal eviction moratorium was in place. And although it had a slower start than hoped for, the ERA program (which received almost \$50 billion through the December 2020 relief bill and the March 2021 American Rescue Plan), is accelerating assistance to households that need it and keeping millions of households in their homes.

Still, the full need has not been met. The Census Pulse survey continues to show that millions of households are at risk of eviction; people of color continue to be disproportionately impacted; and inherent health risks posed by congregate settings, including nursing homes, jails, and shelters remain.¹⁹ The housing-related relief measures are temporary; thus, further policies and investments will be needed to solve the longer-term problems of housing instability and homelessness.

Challenges Faced by Homeless Services Providers and People Experiencing Homelessness in Accessing Assistance

Through our work on the *Framework for an Equitable COVID-19 Homelessness Response* project and through one-on-one discussions with industry groups and communities, at least two things seem clear. First, the pandemic-related affordable housing and homelessness funding received to date is having a positive impact and is deeply appreciated by communities that have received it. Second, there is still much work to do toward ending homelessness — both to develop local capacity and to increase affordable and supportive housing for people experiencing homelessness.

As noted earlier in this testimony, the federal government — along with some states and localities — has implemented large-scale measures to mitigate the pandemic’s housing-related fallout through

¹⁶ Renter households with worst case housing needs are those with very low incomes (no more than 50 percent of the area median income) who receive no government housing assistance and pay more than half of their income for rent, live in severely inadequate conditions, or both.

¹⁷ Nicole Elsasser Watson *et al.*, “Worst Case Housing Needs: 2019 Report to Congress,” Department of Housing and Urban Development, June 2020, <https://www.huduser.gov/PORTAL/sites/default/files/pdf/worst-case-housing-needs-2020.pdf>.

¹⁸ Chris Glynn, Thomas H. Byrne, and Dennis P. Culhane, “Inflection Points in Community-Level Homeless Rates,” February 2020, https://wp-tid.zillowstatic.com/3/Homelessness_InflexionPoints-27cb88.pdf; Chris Glynn and Alexander Casey, “Homelessness Rises Faster Where Rent Exceeds a Third of Income,” Zillow Research, December 11, 2018, <https://www.zillow.com/research/homelessness-rent-affordability-22247/>.

¹⁹ CBPP, “Tracking the COVID-19 Recession’s Effects on Food, Housing, and Employment Hardships,” updated November 10, 2021, <https://www.cbpp.org/research/poverty-and-inequality/tracking-the-covid-19-recessions-effects-on-food-housing-and-employment-hardships>.

substantial investments to shelter people experiencing homelessness outside of congregate shelters when possible; reduction of evictions through eviction moratoria and emergency rental assistance; and provision of stable housing through emergency housing vouchers and investments to increase the supply of affordable and supportive housing for people experiencing homelessness. The ERA program, which was designed to prevent an eviction crisis, has assisted millions of households — and it is working, as evidenced by lower (though still too high) eviction rates today than prior to the pandemic in many communities for which we have data.²⁰

The EHV program is pushing communities to create new or stronger partnerships between homeless services providers and housing authorities so that people experiencing or at risk of homelessness can secure safe and affordable housing. ESG-CV has helped communities respond to the needs of people living unsheltered and support emergency shelters that must respond to shifting environments and health guidance as the pandemic progresses, and the HOME program is helping communities build permanent and supportive housing, a longer-term investment that will improve housing capacity. These investments represent a combination of short-, medium-, and long-term resources that communities are using to address the homelessness crisis, which was growing worse even before the pandemic and has been exacerbated by the health and economic crisis of the last two years.

Even with these new resources, homelessness assistance systems are facing significant challenges. Some are long-standing issues — for example, the scarcity of available supportive and affordable housing units dedicated to people experiencing homelessness makes exiting the homeless system difficult.²¹ People often wait for long periods of time in a shelter or on the street before gaining access to a unit and services. And new challenges have also emerged.

- **Rising rents are making accessing permanent housing more difficult.** Although the wide gap between median renter income and median rent²² preceded the pandemic, new data from the Bureau of Labor Statistics²³ show a substantial increase in the cost of shelter (housing) and utilities. These increases make it harder for people experiencing housing instability to remain in their units and create housing challenges for people exiting incarceration or institutions like child welfare or hospitals, while also making it more difficult for homeless assistance systems to place people into safe, stable, and affordable housing.
- **Pressure to act quickly on several programs at the same time shortened community planning time, which makes implementation challenging.** Continuums of care (CoCs)

²⁰ Jacob Haas *et al.*, “Preliminary Analysis: Eviction Filing Trends After the CDC Moratorium Expiration,” Eviction Lab, December 9, 2021, <https://evictionlab.org/updates/research/eviction-filing-trends-after-cdc-moratorium/>.

²¹ The 2020 Housing Inventory Count published by the Department of Housing and Urban Development reports that the nation has about 400,000 emergency shelter, transitional housing, and safe haven beds, and about 546,000 rapid re-housing, permanent supportive housing, and other permanent housing beds at a given point in time. Most households living in permanent supportive housing during 2018 (55 percent) had been there for two years or more, with about 25 percent having been in the program between five and seven years.

²² Erik Gartland, “2019 Income-Rent Gap Underscores Need for Rental Assistance, Census Data Show,” CBPP, September 18, 2020, <https://www.cbpp.org/blog/2019-income-rent-gap-underscores-need-for-rental-assistance-census-data-show>.

²³ Bureau of Labor Statistics, “Consumer Price Index: 2021 in review,” January 14, 2022, <https://www.bls.gov/opub/ted/2022/consumer-price-index-2021-in-review.htm>.

and key partners like nonprofit providers and public housing agencies are under tremendous pressure to quickly implement critical housing-related relief programs and have reported that they do not have adequate time to plan for more equitable or innovative ways to address emerging challenges. In many communities, the recipients of new federal funds are also simultaneously forging new partnerships, as they have not worked with CoCs in the past. The rush to implementation couldn't be avoided given the urgent nature of the housing issues that arose due to the pandemic and its economic fallout, but as we plan for future policy advances, it is important to recognize the time needed for sound implementation.

- **More resources are needed.** Even with challenges related to the implementation of new funding streams like the Emergency Housing Voucher program, in a recent (but not yet published) survey by the Urban Institute, communities overwhelmingly reported a need and desire for additional Housing Choice Vouchers to serve people experiencing homelessness. Communities also consistently report a need for better access to services that support people in exiting homelessness.
- **Communities are experiencing staffing challenges.** Homeless systems — which rely heavily on front-line workers to provide essential services to people experiencing homelessness — report staffing challenges due to the pandemic but also due to long-standing and systemic issues like low pay that create environments with high staff turnover and burnout for the people who work in them.
- **Congregate shelters pose risks for residents.** Some communities have ended non-congregate sheltering programs that were established in response to the pandemic and have returned residents to congregate shelters, which are often overwhelmed and have proven to be unsafe environments during the pandemic, especially for people who have underlying health issues.²⁴
- **Criminalization of people experiencing homelessness is rising.** As unsheltered homelessness increases, communities across the country are turning to inhumane practices and laws that criminalize people experiencing homelessness and that make accessing housing more difficult for them in the long run. According to the National Homelessness Law Center, 48 states have at least one law restricting behaviors of people experiencing homelessness and these types of laws continue to gain traction across the country.²⁵

Homeless assistance systems alone cannot end homelessness. Some communities are rehousing more households than ever before, even as homelessness continues to increase.²⁶ The problem

²⁴ Andy Newman, "Virus surges in New York City's homeless shelters," *New York Times*, December 23, 2021, <https://www.nytimes.com/2021/12/23/nyregion/homeless-shelters-covid-cases.html>; David Brand, "As COVID Surges Again in NYC Shelters, Advocates Renew Calls for Hotel Rooms," *City Limits*, December 22, 2021, <https://citylimits.org/2021/12/22/as-covid-surges-again-in-nyc-shelters-advocates-renew-call-for-hotel-rooms/>; Charmaine Nero, "Twin Cities homeless shelters hit by a 'double whammy' of cold weather and omicron surge," *KARE 11*, January 11, 2022, <https://www.kare11.com/article/news/local/mn-homeless-shelters-navigating-staffing-shortages-cold-weather-covid-19-tests/89-f58e8220-849e-4c0a-94d8-ab5c8d1f4182>.

²⁵ National Homelessness Law Center, "Housing Not Handcuffs 2021: State Law Supplement," November 2021, <https://homelesslaw.org/wp-content/uploads/2021/11/2021-HNH-State-Crim-Supplement.pdf>.

²⁶ "These significant increases [in homelessness] come despite hundreds of millions of dollars spent and, according to county officials, a system that is housing a record number of people. In 2019, LA's homeless services system placed

requires a comprehensive approach that addresses the large numbers of households that cannot afford rents in their communities because their incomes are too low to afford reasonably priced housing, an insufficient supply of reasonably priced housing, or both. The approach must also address access to services for people who need and want them.

The most effective policy we could take to address the nation's homelessness crisis is to provide a Housing Choice Voucher for every eligible household. Vouchers effectively fill in the gap between the cost of rent and utilities and how much a household can afford to pay, ensuring that those with very low incomes can afford housing. This step would fundamentally alter the landscape for people experiencing homelessness, institutionalization, and housing instability, ultimately preventing many stints of homelessness because households with low incomes would be able to afford housing and, thus, would be less likely to fall behind on rent and face eviction. It would lift millions of children out of poverty and improve educational outcomes, help seniors and people with disabilities, and provide youth and young adults with a brighter path to adulthood.²⁷ This is the goal we should be working toward, even if we cannot get there in one step.

Legislation Currently Under Consideration

While the House Financial Services Committee may consider several bills this year, two include policy and resource changes that, if enacted, would have significant, long-term impact on people experiencing homelessness and the systems that serve them: the Build Back Better Act and the Ending Homelessness Act.

The Build Back Better (BBB) Act passed by the House includes \$24 billion for housing vouchers that would reduce housing instability for about 300,000 households with the lowest incomes once fully phased in, including families with young children, people with disabilities, and seniors. CBPP estimates that more than 70 percent of people served through this proposed expansion of Housing Choice Vouchers would be people of color, because these households disproportionately have severe housing needs and very low incomes. BBB targets part of its voucher funding to specifically assist about 80,000 households experiencing or at risk of homelessness (including survivors of domestic violence and human trafficking), which would make important progress toward ending homelessness and build upon the work started through the Emergency Housing Voucher program funded as part of the American Rescue Plan Act last year.

An extensive body of research shows that these new vouchers, which would be tightly targeted on families and individuals who need them most, would sharply reduce homelessness, housing instability, and overcrowding. By helping families obtain stable housing, these vouchers would also have other benefits for children (such as a lower likelihood of being placed in foster care, fewer

nearly 23,000 people in homes, according to the report by the LA Homeless Services Authority.” Anna Scott, “Homelessness In Los Angeles County Rises Sharply,” NPR, June 12, 2020, <https://www.npr.org/2020/06/12/875888864/homelessness-in-los-angeles-county-rises-sharply>. See also Benjamin Maritz and Dilip Wagle, “Why does prosperous King County have a homelessness crisis?” McKinsey & Company, January 22, 2020, <https://www.mckinsey.com/industries/public-and-social-sector/our-insights/why-does-prosperous-king-county-have-a-homelessness-crisis>.

²⁷ Will Fischer, Sonya Acosta, and Erik Gartland, “More Housing Vouchers: Most Important Step to Help More People Afford Stable Homes,” CBPP, May 13, 2021, <https://www.cbpp.org/research/housing/more-housing-vouchers-most-important-step-to-help-more-people-afford-stable-homes>.

school changes, and fewer sleep disruptions and behavioral problems) and adults (such as lower rates of domestic violence and drug and alcohol abuse). The new vouchers would also help to reduce the large racial disparities in housing opportunity, which reflect long-standing discrimination in housing, employment, and other areas. Some 71 percent of those assisted by the vouchers would be people of color.

BBB also includes key housing investments to help people who have the lowest incomes and who face the greatest challenges in affording stable housing. The bill provides \$65 billion to repair and renovate public housing, which would preserve our nation's public housing stock and improve living conditions for the more than 1.8 million public housing residents by addressing unmet renovation and repair needs that have accumulated for decades.²⁸ It also provides \$25 billion to increase the supply of affordable housing through the national Housing Trust Fund and HOME Investment Partnerships program.

The Ending Homelessness Act of 2021 (the Act) would provide the required comprehensive approach to ending homelessness. Unlike other bills that aim to address homelessness, it would provide critical housing infrastructure through Housing Choice Voucher expansion and investments in the National Housing Trust Fund to address the underlying affordable housing shortage, which is acute in some communities and helps drive increases in homelessness in communities across the country. The legislation would supplement existing programs and would use a variety of funding sources to support an array of eligible activities that address the needs of people who are experiencing sheltered and unsheltered homelessness. The Act would also provide important protections for families and individuals seeking to use vouchers from discrimination based on the source of their income or rental subsidy.

The legislation balances strategies that address affordability, housing supply, services, and technical assistance for communities. It would support significant progress by quickly providing safe and permanent housing through an expansion of the Housing Choice Voucher program to millions of households at the lowest income levels. The Act also includes investments in affordable housing supply where needed. And it includes critical resources for homeless assistance systems to right-size and shift operations so that people living on the street could be rehoused through delivery of outreach and service coordination, coupled with housing that is affordable through the availability of vouchers or other permanent subsidies.

Enacting this approach would fundamentally change the lives of people experiencing homelessness and housing instability. It would allow the homelessness system to be what it always should have been: a response system that quickly rehouses people experiencing a housing crisis, rather than an under-resourced and stretched housing system of last resort for families, youth, people with disabilities, elders, and people returning home from jail or prison.

Vouchers can:

- ▼ Reduce poverty
 - ▼ Sharply reduce homelessness and overcrowding
 - ▼ Reduce domestic violence
 - ▲ Improve health and educational outcomes
 - ▲ Advance racial equity
 - ✚ And more
-

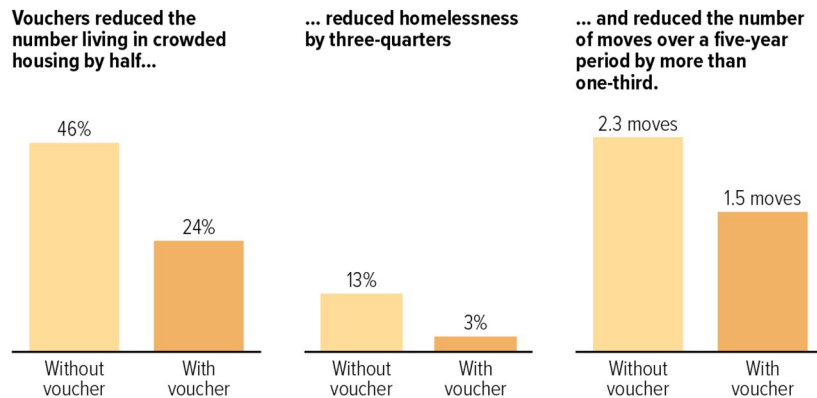
²⁸ Will Fischer, Sonya Acosta, and Anna Bailey, "An Agenda for the Future of Public Housing," CBPP, March 11, 2021, <https://www.cbpp.org/research/housing/an-agenda-for-the-future-of-public-housing>.

Expanding Housing Choice Vouchers Is Critical to Ending Homelessness

Housing vouchers are highly effective at reducing homelessness, housing instability, and overcrowding and at improving other outcomes for families and children, rigorous research shows. (See Figure 2.)

FIGURE 2

Housing Choice Vouchers Sharply Reduced Crowded Housing, Homelessness, and Frequent Moves, Study Shows



Note: The chart compares the housing status of low-income families in six U.S. cities who were randomly selected to receive a voucher and used it for at least part of the previous year to families in a control group who did not use vouchers. Families experiencing "crowded housing" were living in housing that has less than one room per household member. Number of moves reflects the average moves over a 4.5- to 5-year period since random assignment.

Source: Michelle Wood, Jennifer Turnham, and Gregory Mills, "Housing Affordability and Family Well-Being: Results from the Housing Voucher Evaluation," Housing Policy Debate, 2008.

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They are crucial to giving people with low incomes greater choice about where they live and to ensuring that initiatives to build or rehabilitate housing reach those who most need help. Vouchers also make a major contribution to lifting people out of poverty and reducing racial disparities; the housing affordability challenges that vouchers address are heavily concentrated among people with the lowest incomes and, due to a long history of racial discrimination that has limited their economic and housing opportunities, among people of color.²⁹ (For additional CBPP analysis on the benefits of voucher expansion, see the materials posted at <https://www.cbpp.org/research/resource-lists/expanding-housing-vouchers>.)

²⁹ *Ibid.*

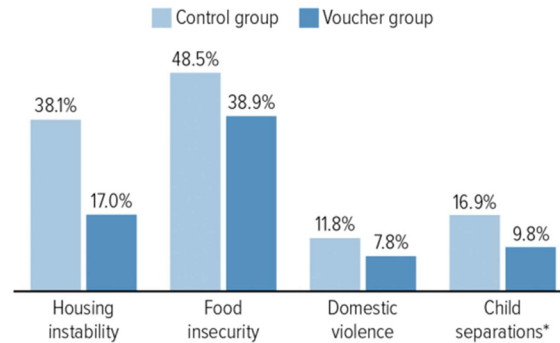
Unfortunately, the Housing Choice Voucher program only reaches about 1 in 4 eligible families due to funding limitations. This shortfall is one of the biggest gaps in the nation's economic support system and causes families with pressing housing needs to face long waiting lists and homelessness.

Of the 11.2 million renter households with severe cost burdens in 2018, close to three-fourths had extremely low incomes (at or below the federal poverty line or 30 percent of the local median, whichever is higher). Many people cannot afford housing at all and fall into homelessness. Due to a long history of racism — including racially discriminatory housing policies — Black, Latino, and Native American people are disproportionately likely to face severe rent burdens and to experience homelessness.

Research including HUD's Family Options Study and programs like HUD-VASH and the Family Unification Program (FUP) clearly illustrate the potential of expanding the Housing Choice Voucher program for ending homelessness and improving the lives of households with incomes at or near the poverty line.³⁰ For example, the Family Options Study showed that enrolling in Housing Choice Vouchers improved housing stability and reduced family separations, psychological distress, and alcohol/drug problems for the head of household; intimate partner violence; the number of schools children attended and the number of absences for children; children's behavioral problems; and food insecurity among families as compared to usual care in the homeless system. (See Figure 3.)

³⁰ Department of Housing and Urban Development, "The Family Options Study," https://www.huduser.gov/portal/family_options_study.html.

FIGURE 3

Vouchers Reduce Hardship for Homeless Families

Note: The control group consisted of homeless families that were not offered vouchers or other assistance under the study.

*These data are the results reported 20 months into the HUD Family Options Study. All the other chart data are from the completed 3 year study.

Food insecurity = Someone in the household had inadequate access to food at some point during the year.

Housing instability = Family reported spending at least one night homeless or doubled up in the past 6 months or stayed in an emergency shelter in the past year.

Source: Gubits et al., "Family Options Study 3-Year Impacts of Housing and Services Interventions for Homeless Families," Department of Housing and Urban Development

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HUD-VASH, which couples services provided by the Veterans Administration with a Housing Choice Voucher to create supportive housing for veterans, was a key resource used to reduce veteran homelessness (especially unsheltered homelessness) by almost half between 2009 and 2020. FUP, which operates as an interagency collaboration between local public housing agencies and child welfare agencies, has been shown to expedite child welfare case closure and support high rates of family reunification for families involved with the child welfare system.³¹ FUP can also serve youth aging out of foster care by providing supportive housing for young people who may otherwise experience homelessness or housing instability.³²

Expanding vouchers is essential to ensuring that people experiencing homelessness who live with disabilities or may be experiencing chronic homelessness can live safely and pursue their goals. Like HUD-VASH, vouchers can be paired with services to develop **permanent supportive housing**, an

³¹ Michael Pergamit, Mary Cunningham, and Devlin Hanson, "The Impact of Family Unification Housing Vouchers on Child Welfare Outcomes," *American Journal of Community Psychology*, March 2017, <https://onlinelibrary.wiley.com/doi/abs/10.1002/ajcp.12136>.

³² M. Robin Dion et al., "The Family Unification Program: A Housing Resource for Youth Aging Out of Foster Care," Department of Housing and Urban Development, May 2014, https://www.huduser.gov/portal/publications/pdf/Supportive_housing_for_youth.pdf.

evidence-based solution to homelessness among people with disabilities that helps people find and keep housing, which, in turn, can improve health outcomes.³³ Permanent supportive housing can help address long-term homelessness by providing, in combination, affordable housing and voluntary supportive services such as help remembering to take medications and scheduling medical appointments, help understanding a lease agreement, and connections to other health and social services in the community. This coordination of services is critical to addressing housing and health care access barriers that people with disabilities and other complex health needs often experience. States can leverage Medicaid funding to provide services in this model.

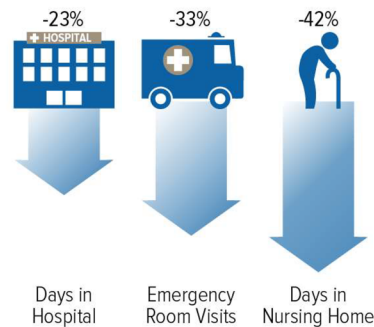
Supportive housing can increase opportunities to receive health care in outpatient settings and reduce the need for high-cost health care like emergency room visits and hospitalizations by people experiencing homelessness. People with chronic health conditions experiencing homelessness who received supportive housing spent fewer days in hospitals and nursing homes and had fewer emergency room visits per year, one study found. These reductions in health care utilization resulted in over \$6,000 in annual savings per person. (See Figure 4.)

Housing Choice Vouchers can also be project-based to support development of affordable and supportive housing in areas that need increased supply.

FIGURE 4

Supportive Housing Can Produce Health Care Savings

Combining affordable housing with intensive services for a high-needs group saved an average of over \$6,000 a year per person in health care



Note: Intensive services include help finding housing, working with a landlord, physical and behavioral health care, assistance finding employment, and others.

Source: Anirban Basu, et al., "Comparative Cost Analysis of Housing and Case Management Program for Chronically Ill Homeless Adults Compared to Usual Care," *Health Services Research*, February 2012, Vol. 47, No. 1, Part II, pp. 523-543.

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³³ Anna Bailey, "Rental Assistance Needed to Build a Recovery That Works for People With Disabilities," CBPP, May 6, 2021, <https://www.cbpp.org/blog/rental-assistance-needed-to-build-a-recovery-that-works-for-people-with-disabilities>.

Voucher Expansion Would Serve Historically Marginalized People and Advance Equity

The voucher expansion included in the House-passed Build Back Better Act would advance racial equity and equity for other marginalized groups such as people with disabilities and low-income seniors. CBPP estimates that, of the nearly 700,000 people (in 300,000 households) who would benefit from the vouchers in BBB, about 274,000 are children, 138,000 are people with disabilities, and 76,000 are seniors. More than 70 percent of people served through this proposed expansion would be people of color.³⁴

Advancing Racial Equity

People of color are disproportionately affected by homelessness.³⁵ Nearly 40 percent of those experiencing homelessness in 2020 were Black and 23 percent were Latino, although these groups make up 13 and 18 percent of the U.S. population, respectively.

Voucher expansion would significantly benefit people of color, especially those experiencing homelessness. Insufficient funding prevents vouchers from reaching most people experiencing homelessness, as well as the 24 million people in low-income renter households that pay more than half of their income for rent and utilities. Most of the renters in these households (62 percent) are people of color: 6.8 million are Latino, 5.8 million are Black, 1.4 million are Asian or Pacific Islander, 725,000 are multiracial, and 242,000 are American Indian or Alaska Native. People who pay too much for housing have little money left to cover their basic needs, such as food or medicine. And when finances are stretched precariously thin, an unexpected bill or a reduction in work hours — as many people experienced during the pandemic — can have devastating effects, such as having the heat or electricity cut off or losing one's home entirely.³⁶

³⁴ Ann Oliva, “BBB Includes Major Investments in Housing Affordability,” CBPP, November 4, 2021, <https://www.cbpp.org/blog/bbb-includes-major-investments-in-housing-affordability>.

³⁵ Henry *et al.*, *op. cit.*

³⁶ Alicia Mazzara, “Expanding Housing Vouchers Would Cut Poverty and Reduce Racial Disparities,” CBPP, May 11, 2021, <https://www.cbpp.org/blog/expanding-housing-vouchers-would-cut-poverty-and-reduce-racial-disparities>.

Housing vouchers would help households, both those that are homeless and those facing high rent burdens that place them at risk for eviction and homelessness — obtain and maintain stable, affordable housing and raise their incomes above the poverty line. One study estimated that giving all eligible households vouchers would lift 9.3 million people above the poverty line.³⁷ These benefits would be greatest among people of color, who would experience the steepest declines in poverty. (See Figure 5.) In particular, expanding vouchers to all eligible households would cut the poverty rate for Latino people by a third, for Black people by a quarter, and by a fifth for Asian people and Pacific Islanders and American Indians and Alaska Natives. Making vouchers available to many additional people would also sharply reduce homelessness, housing instability, and crowding.

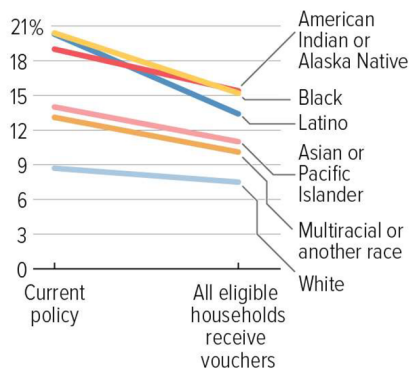
Seniors and People With Disabilities

Vouchers are a proven approach that currently deliver major benefits to some 680,000 seniors nationwide — more than any other rental assistance program.³⁸ A 2019 study, “The Emerging Crisis of Aged Homelessness: Could Housing Solutions Be Funded by Avoidance of Excess Shelter, Hospital, and Nursing Home Costs?”³⁹ reviewed the ages of people experiencing homelessness and projected significant growth among people aged 65 and older over the next decade. “Older homeless adults have medical ages that far exceed their biological ages. Research has shown that they experience geriatric medical conditions such as cognitive decline and decreased mobility at rates that are on par with those among their housed counterparts who are 20 years older .

FIGURE 5

Expanding Housing Vouchers to All Eligible Households Would Cut Poverty and Reduce Racial Disparities

Percent of people in poverty by race/ethnicity



Note: Currently about 1 in 4 households eligible for a voucher receives any type of federal rental assistance. Latino category may contain individuals of any race that identify as Latino or Hispanic; other categories exclude individuals that identify as Latino or Hispanic.

Source: Columbia University Center on Social Policy calculations using data from the 2019 Current Population Survey (CPS). Results for American Indian and Alaska Native and multiracial individuals calculated using data from the 2017-2019 CPS. Results for these groups should be interpreted with caution due to sample size constraints.

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³⁷ Sophie Collyer *et al.*, “Housing Vouchers and Tax Credits: Pairing the Proposal to Transform Section 8 with Expansions to the EITC and the Child Tax Credit Could Cut the National Poverty Rate by Half,” Center on Poverty & Social Policy at Columbia University, October 7, 2020, <https://www.povertycenter.columbia.edu/publication/2020/policy-proposal-housing-vouchers>.

³⁸ CBPP, “More Housing Vouchers Needed to Help Older Adults Afford Stable Homes in the Community,” August 5, 2021, <https://www.cbpp.org/research/housing/more-housing-vouchers-needed-to-help-older-adults-afford-stable-homes-in-the>.

³⁹ Dennis Culhane *et al.*, “The Emerging Crisis of Aged Homelessness,” Actionable Intelligence for Social Policy, 2019, <https://aisp.upenn.edu/wp-content/uploads/2019/01/Emerging-Crisis-of-Aged-Homelessness-1.pdf>.

... As a result, health care and nursing home costs are likely to increase significantly over the next 15 years,” the study found. It further recommended permanent housing resources — including the Section 202 program, Housing Choice Vouchers, and Permanent Supportive Housing — to address the housing and service needs of this aging cohort to both improve well-being and reduce costs in physical and behavioral health care, nursing homes, and shelters. However, safe, stable, and affordable housing remains out of reach for millions of older adults and their families, including seniors experiencing homelessness.

Similarly, vouchers deliver major benefits to over 1.2 million disabled people nationwide — more than any other rental assistance program. A broad body of research shows that rental assistance is highly effective at reducing homelessness and helping people maintain housing stability, including among individuals with mental illness, HIV/AIDS, and other complex health conditions. About half of adults — and two-thirds of veterans — living in homeless shelters reported having a disability in 2018. And over three-quarters of people experiencing unsheltered homelessness, which has increased sharply in recent years, report having a physical or mental health condition.⁴⁰ Vouchers and other federal rental assistance lift more seniors above the poverty line than any other program except Social Security and Supplemental Security Income.

Partnering With People With Lived Experience of Homelessness

People with lived experience of homelessness and voucher use must be at the table when policymakers consider topics like affordable housing and homelessness. They bring a critical policy and program design perspective to the discussion based on how these systems actually function, and they make important recommendations based on their experience using these resources. At the launch of the *Framework for an Equitable COVID-19 Homelessness Response Project*,⁴¹ project leaders asked people experiencing homelessness or housing instability, and those who are among groups that have been historically marginalized, for their input on what challenges should be prioritized and addressed in the nation’s homelessness response systems. Four themes emerged from the discussions and focus groups:

- **The most important priority is to address the lack of affordable housing options.** Adequate affordable housing options and support (e.g., long-term rental assistance, affordable housing development, services) must be developed and targeted to those most impacted by structural inequity.
- **Systems should treat people experiencing homelessness and trauma with dignity.** Dignity-based services led by the communities most impacted by homelessness should be designed and supported in a post-COVID environment.
- **Congregate shelters should be re-imagined.** Current congregate emergency shelter options are often inadequate and can cause further trauma for the people who use them.
- **Criminalizing people experiencing homelessness causes harm.** Communities should end practices that criminalize people experiencing homelessness, and law enforcement should not

⁴⁰ CBPP, “More Housing Vouchers Needed to Help Disabled People Afford Homes in the Community,” September 15, 2021, <https://www.cbpp.org/research/housing/more-housing-vouchers-needed-to-help-disabled-people-afford-homes-in-the-community>.

⁴¹ See <https://housingequityframework.org/partners> for partner organizations.

be the primary responder when people experiencing homelessness need assistance, because the interactions between law enforcement and people experiencing homelessness are often negative and cause harm.

CBPP also requested recommendations from people with lived expertise of housing instability and challenges on how vouchers can help end homelessness and housing instability.

- **Expanding the Housing Choice Voucher program for all eligible households would be a key step toward ending homelessness for many households and preventing homelessness for many others.** However, the expansion must be implemented in ways that remove barriers to obtaining and maintaining housing for people with disabilities, immigrant households, those with a history of incarceration, and others. This includes providing more robust support in accessing units by protecting program participants against discrimination based on income source, as the Ending Homelessness Act of 2021 proposes. That legislation would also help voucher holders locate available units and engage with landlords to encourage them to lease to voucher holders. Implementing strategies that support lease-up can cut down the time it takes for a household to lease a unit, especially in tight housing markets.
- **Expanding Housing Choice Vouchers would create much-needed changes in the homelessness assistance system.** Implementation should be done over time to create a strong foundation for shifting homeless assistance systems out of “crisis mode” and toward functioning as a sustainable system focused on quickly rehousing people who are facing a housing crisis and then helping them achieve stable and permanent housing. It should also create an environment where partners like continuum of care entities and public housing authorities work together to prevent and end homelessness in the community.
- **People should not be required to enter a shelter to access a Housing Choice Voucher if they are eligible for the program.** Currently, households that may not have otherwise entered a shelter are sometimes required to do so in order to receive a preference for a Housing Choice Voucher, and often must wait months or years for that voucher to become available. In some places, a lottery system to obtain a voucher creates anxiety and uncertainty for those who need affordable housing and may be waiting in a shelter. This also delays the types of benefits that safe and stable housing provides to families, children, and individuals while they wait in a shelter or other precarious situation.
- **The maximum rent that a voucher can cover should be reconsidered, especially in tight housing markets.** Several participants in the discussion stated that the program’s rent limits are too low in their communities, which makes finding units that meet the requirements more difficult. Implementation of Small Area Fair Market Rents, as required in the Ending Homelessness Act of 2021, would help to ensure that Housing Choice Vouchers more accurately reflect neighborhood rents.
- **Both landlords and voucher holders have a role to play.** More can be done to connect voucher holders and landlords and to support a positive relationship during tenancy. This may include developing incentives for landlords to participate in the program, increasing access to available units for voucher holders, and implementing strategies (like a risk mitigation fund) that help landlords recover when units are damaged or other crises occur.

Universal Housing Vouchers Can Prevent Homelessness and Resolve Homeless Episodes More Quickly

We know how to solve homelessness: by providing opportunities for all families and individuals to live in safe and affordable housing that they choose and that meets their needs. To be clear, *housing is not the only component* of the solution to homelessness. But safe, affordable housing options for the millions of households experiencing or at risk of homelessness must be the core component. We can make significant progress in our national collective efforts to make homelessness rare, brief, and one-time by expanding the Housing Choice Voucher program to all who are eligible.

Balancing Supply-Side Investments With Affordability

While voucher expansion is the single most important step policymakers can take to help families afford housing, it is also important to build and rehabilitate affordable housing. But *only* funding “supply-side” investments, without adequately expanding vouchers, would almost certainly leave out a large share of households that most need help to afford housing. It also would risk constraining the housing choices available to low-income people, people of color, and people with disabilities.

In many parts of the country the number of housing units is generally adequate, and affordability of rent and utility costs is the primary housing problem facing low-income people. In tight housing markets where the number of housing units is inadequate to meet demand and costs are driven up by inadequate supply, more units should be made available by increasing subsidies for constructing affordable housing and rehabilitating affordable housing so it remains on the market and in good condition, and by reducing regulatory barriers to development. In addition, supply-side investments can make units available to assist particular populations, for example by increasing the number of units accessible to people with disabilities. And in some cases, such investments can improve access to neighborhoods where it would otherwise be difficult for people with low incomes to rent homes.

But unless a household also receives a voucher or other similar ongoing rental assistance, construction subsidies for private units rarely produce housing with rents that are affordable for households with incomes around or below the poverty line — which make up most of the renters confronting severe housing affordability challenges. These households typically can’t afford rent set high enough for an owner to cover the ongoing cost of operating and managing housing. Consequently, even if development subsidies pay for the full cost of building the housing, rents in the new units will generally be too high for lower-income families to afford without the added, ongoing help a voucher can provide.

Providing a Safety Net During National Crises by Preventing Homelessness and Housing Instability

In addition to providing a critical resource to end homelessness as we know it, expanding the Housing Choice Voucher program would provide an important safety net for extremely low-income households *and landlords* when the nation experiences a crisis. Housing instability became a high-profile national issue during the pandemic, when millions of renters fell behind in rent after job losses, reductions in scheduled hours, or illness. Job losses and reductions in scheduled work hours fell most heavily on workers in low-wage industries and on people of color, who face long-standing inequities often stemming from structural racism in education and employment.⁴² Both groups were

⁴² Fischer, Acosta, and Gartland, *op. cit.*

already more likely to struggle to afford housing. By January 2021, an estimated 15.1 million adults living in rental housing — more than 1 in 5 adult renters — were not caught up on rent. People who have struggled to pay rent during the crisis are disproportionately people of color, renters with low incomes, and renters who have lost income.

The federal response to housing needs during the crisis was delayed — with emergency rental assistance and emergency housing voucher investments not being made until late December 2020 — leading to unnecessary hardship for millions of people. Because the number of families with vouchers and other federal rental assistance is limited by available funding and because that funding does not automatically expand to meet growing needs, large numbers of households were left waiting for policymakers to enact emergency rental assistance programs. Local, state, and federal eviction moratoriums have prevented many — though not all — families from losing their homes, but most families still must pay their rent and accumulate debt if they cannot. Federal lawmakers provided some rental assistance funds in the March 2020 CARES Act, but they did not enact large-scale funding for emergency rental assistance until late December 2020 — more than nine months after severe job losses began — with additional amounts included in the March 2021 American Rescue Plan.

Universal Housing Vouchers Would Allow Dramatic Improvements in Homeless Assistance Systems

Homelessness assistance systems necessarily operate via a scarcity model that requires front-line workers and homelessness assistance providers to make excruciating decisions about who will get needed resources. These are literally life and death situations. The most sick or “vulnerable” often receive assistance first, but vulnerability is hard to measure and looks different for different populations. Is a young person who is being trafficked in exchange for a place to sleep more “vulnerable” than a woman with a serious mental illness living on the street or a family with young children living in their car? These are the decisions that front-line staff are faced with every day.

This approach, while currently necessary, can be extremely difficult for those who implement it and can lead to high levels of staff burnout and turnover in a system that needs stability and consistency to function well. It is also retraumatizing for the people who come to these systems for help, only to be told they are not sick or needy enough to be at the top of the list for housing and/or services. People wait for assistance in dangerous situations on the street or in congregate shelters. Upticks in unsheltered homelessness can increase tension with housed people in neighborhoods that include encampments. They also can increase interactions with police and fire departments that are costly and do not resolve people’s needs or the homelessness crisis overall.

Expanding the Housing Choice Voucher program can change this dynamic, not immediately but by providing the critical basis for significant change. Voucher expansion would increase access to housing as both a *prevention* strategy for households experiencing housing instability and a *rehousing* strategy for families, youth, and individuals who are in crisis or exiting systems like foster care, jails, or hospitals. For some, a voucher alone will enable them to obtain housing and maintain stability. Others will need safe and affordable housing coupled with supportive services such as case management, substance use treatment, mental or physical health services, or other types of community-based supports to maintain housing and live full lives.

Imagine a homelessness assistance system that, instead of being forced to prioritize people based on how sick or in danger they are, can quickly offer a family, youth, or individual in crisis a permanent housing option. A system that prioritizes working with landlords to create and maintain positive relationships that benefit people experiencing homelessness, the business community, and neighborhoods. A system that has a housing placement for a person who experienced unsheltered homelessness and chose to enter substance use treatment but needs housing to maintain their sobriety and housing stability. A system that provides outreach to people living on the street — outreach that actually includes a housing option rather than only a blanket, bottle of water, or granola bar.

We have much work to do to realize that vision. There are many partnerships to build and nurture. But the most important first step is to expand the Housing Choice Voucher program to all eligible households in the United States.



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**TESTIMONY
of
NAN ROMAN
NATIONAL ALLIANCE TO END HOMELESSNESS
before the
SUBCOMMITTEE ON HOUSING, COMMUNITY DEVELOPMENT AND INSURANCE
of the
U.S. HOUSE OF REPRESENTATIVES COMMITTEE ON FINANCIAL SERVICES
February 2, 2022**

Chairwoman Waters, Chairman Cleaver, Ranking Member McHenry, Ranking Member Hill and members of the Subcommittee, I am Nan Roman, Chief Executive Officer of the National Alliance to End Homelessness. Thank you for inviting me to testify before you today on the subject of *Housing America: Addressing Challenges in Serving People Experiencing Homelessness*.

The National Alliance to End Homelessness is a nonpartisan, nonprofit, mission-driven organization committed to preventing and ending homelessness in the United States. It was founded in 1983 by a group of national leaders from both parties, deeply disturbed by the appearance of thousands of Americans living on the streets of our nation. In its early years it focused on meeting the emergency and service needs of this emerging population. Soon, however, as it became apparent that emergency measures would not solve the problem, we turned our attention to more permanent solutions. Today, the bipartisan Alliance Board of Directors and our thousands of nonprofit, faith-based, private and public sector partners across the country devote ourselves to the affordable housing, access to services, and livable incomes that will end homelessness.

Thank you for inviting the Alliance to appear before this Subcommittee to discuss where we stand in the effort to end homelessness, what we should be doing, and the role of Congress in achieving the goal.

HOMELESSNESS

The nation is experiencing an on-going homelessness crisis that has been very much affected by the COVID pandemic. While homelessness decreased between 2007 and 2016, it increased slightly every year between 2016 and 2020. The Point in Time count that typically takes place in January (and is the only enumeration that includes people who are unsheltered as well as

sheltered) was not fully conducted in 2021 due to the pandemic. As a result, the number of people currently experiencing homelessness is not clear. However, the Alliance surveyed all of the nation's Continuums of Care (CoCs¹) several times during the pandemic, and respondents reported the following: the number of shelter beds significantly decreased as shelters followed CDC guidance to "decompress;" most CoCs believed that unsheltered homelessness had increased; and though many people from shelters and unsheltered locations were placed in motel/hotel rooms for quarantine and isolation, those incremental beds did not make up for those lost through decompression. It should be noted that since many jurisdictions are now releasing their hotel/motel beds, but likely maintaining COVID protocols with regard to social distancing in shelter, the number of beds may continue to be low.

It is our belief that unsheltered homelessness has likely increased somewhat, and it is possible although not certain, that overall homelessness has increased. Even prior to the pandemic, as reported in the most recent Annual Homelessness Assessment Report to Congress (AHAR Part 1, 2020), in 2020 for the first time ever there were more *unsheltered* individual adults than sheltered individuals adults².

While overall and unsheltered homelessness appear to be up, the numbers are down for certain subpopulations. The 2020 AHAR Part 1 data from just before the pandemic show a slight decrease in homeless family households, veterans and youth. Both the Alliance's CoC surveys and anecdotal evidence from the field seem to indicate that the number of families that are homeless has decreased significantly during the pandemic. This is likely the result of child and other tax credits, unemployment insurance supplements, Emergency Rental Assistance, the eviction moratorium and other steps that you have taken to protect vulnerable households. It is also possible that some families chose to double or triple up with relatives or friends rather than enter congregate shelter facilities during the pandemic.

Having said this, our data on the number of people experiencing homelessness is not firm and it will be helpful to have the Point in Time count conducted this year.

It should be noted that data also show significant disproportionality in the rate of homelessness among people of color, and we also see racial disparities in the outcomes of homelessness interventions. To give you an idea on disproportionality, the 2020 Census reported that White people represent 62 percent of the US population but 48 percent of the homeless population. Black people represent 12 percent of the population, but 39 percent of people who are homeless. Similarly, Native Americans represent 1 percent of the population but 3 percent of

¹ Per the US Dept. of Housing and Urban Development, a Continuum of Care (CoC) is the group organized to carry out the responsibilities of the Continuum of Care Program for a geographic area. It should be composed of representatives of various sectors of the community. Responsibilities of a CoC include operating the CoC, designating and operating a Homeless Management Information System, planning for the CoC (including coordinating the implementation of a housing and service system within its geographic area), and designing and implementing the process associated with applying for CoC Program funds.

² Individuals adults being adults on their own, not with family members.

people experiencing homelessness; Hispanic/Latino people represent 18 percent of the population but 22 percent of people experiencing homelessness; and Pacific Islanders represent .2 percent of the population but 1.5 percent of people experiencing homelessness. Obviously, there is a lot to do to achieve equity both with respect to who becomes homeless, and the effectiveness of the assistance they receive to exit homelessness.

OPPORTUNITIES

This is where we stand on homelessness, but thanks to your work here in Congress, there is a significant opportunity at the moment to make a serious dent in the problem.

The pandemic has taught us some things about the importance of housing. We have learned that you cannot quarantine if you do not have a home. We have learned that housing is, indeed, a social determinant of health. We have learned that millions of Americans who have a home live paycheck-to-paycheck, and that any crisis could create housing instability and cause them to lose that home.

The inability of people to afford housing is the major driver of homelessness, and the major solution to it. That is not to say that people do not need services and jobs. They do. They need steady jobs that pay enough for them to afford the housing that is available. And while some people do have unmet service needs, it is not always the lack of services that results in their homelessness as the fact that they are among the poorest households, and therefore the most likely to be vulnerable to homelessness. People do need jobs and services, but what will end their homelessness is housing. And the services people receive, and their ability to earn a living wage will be much enhanced if they have safe, stable, affordable homes.

During the past two years, you have generously provided, through the CARES Act and the American Rescue Plan Act, the very resources that people who are experiencing homelessness need to return to housing.

Through the CARES Act you provided \$4 billion in funding via the flexible Emergency Solutions Grants program. These flexible funds can be used to support homeless households through street outreach, emergency shelter, homelessness prevention, and rapid rehousing. They can also be used to support the infrastructure of on-the-ground nonprofits to deliver this assistance, gather data, etc.

Through the American Rescue Plan Act you provided \$5 billion to Public Housing Authorities for Emergency Housing Vouchers to support stable homes for homeless and at risk households. You also provided \$5 billion to jurisdictions via the HOME Investment Partnership Program for rental assistance, acquisition and development, and supportive services for homeless and at-risk people.

And Build Back Better, should it advance, contains \$25 billion for housing vouchers of which \$7 is targeted to homeless and at-risk households, \$15 billion for development through the

Housing Trust Fund, and \$65 billion to preserve the neglected public housing that the nation already owns.

I should also note that, although not the focus of the Subcommittee, the bills above provided significant resources for treatment and services to address the health and behavioral health needs of people experiencing homelessness, as well. Such health needs are variously the cause of people's homelessness, and the result of it.

These resources have the potential, not to end homelessness, but to reverse the course of homelessness from a growing to a diminishing problem. We are deeply grateful to the members of this Subcommittee and to the Committee for your creativity, your leadership and your determination in targeting these funds to people experiencing homelessness. Thank you.

And these funds are not the only opportunities before us.

The US Department of Housing and Urban Development, along with the US Interagency Council on Homelessness, has initiated *House America: An All-Hands-on-Deck Effort to Address the Nation's Homelessness Crisis*. This initiative is engaging mayors, governors, tribal and county leaders from across the nation to join a partnership and mobilize around the goal of housing 100,000 people and getting 20,000 affordable housing units in the pipeline – all targeted to people experiencing homelessness -- by the end of 2022

And among other opportunities is the unique moment in the real estate market that has the potential to help deliver the housing that is so desperately needed to fill the 6.8 million unit shortage of rental units available and affordable to extremely low income households (those with incomes below 30 percent of the area median). During the pandemic there was considerable use of hotel and motel rooms for quarantine and isolation of people experiencing homelessness and others – a boon both for the hospitality industry and the homelessness sector. Many states, notably California, ended up acquiring hotel and motel properties for use both as temporary and permanent housing, at a cost far lower than new construction or conventional rehabilitation. While the supply of hotel and motel stock has been shrinking, there is still some available. And there is also downtown office and retail space that could potentially be developed for affordable housing at lower cost than new construction or rehabilitation. The resources you have provided can help creative jurisdictions take advantage of opportunities like these to increase the stock of affordable housing.

CHALLENGES

The stimulus funds that have been delivered to date provide a significant opportunity to reduce the number of people experiencing homelessness. They will not end homelessness, but they give us the means to make a U-turn, from five years of increases in homelessness to a steady decrease. But this is only if they are used strategically. There are several challenges to maximizing the use of these funds to significantly reduce homelessness, however.

Jurisdictions are beleaguered after two solid years of the pandemic, and the recession and its aftermath. The Alliance's surveys of CoCs show consistent reports of employee shortages in homeless service and housing organizations. In a May 2021 survey, 72 percent of CoCs reported shortages in frontline shelter staff; 69 percent had a shortage of case managers; and 62 percent had shortages in street outreach workers. The organizations reported the cause of the challenges as being stress, exhaustion, and low morale; illness; family responsibilities; and fear of COVID³. It should also be noted that homeless services staff typically receive relatively low salaries for very difficult and challenging work. A recent study found that the average shelter staff earned \$24,000 per year, and the average permanent supportive housing staff earned \$36,000 per year⁴. Low pay may be another reason that it is difficult to keep staff. Staff shortages are not the only capacity issues for CoCs and the organizations that they fund. The challenges of working through a period of constant change as COVID numbers rise and fall, guidance changes, multiple new initiatives are introduced, immediate results are expected, and new partnerships have to be formed – years of this have worn down many program staff. Although they appreciate and welcome the resources and share the sense of urgency, they are often overwhelmed.

The necessity to create substantial new partnerships has also been a frequent challenge. For example, the Emergency Housing Voucher and HOME-CV funding are targeted to people experiencing homelessness or at risk. However, the funds were not given to entities in the CoC that routinely work with people experiencing homelessness. EHV's were given to Public Housing Authorities (PHAs) and HOME-CV funding was given to HOME Participating Jurisdictions (PJs). PHAs and PJs were then required to work with the CoCs to run the programs. To add to the need for partnerships, housing the highest-need people experiencing homelessness generally requires that they be connected to on-site services -- services that are critical to their stability in housing, just as housing is critical to the recovery of people with service needs. This often necessitated CoCs, PHAs or PJs developing new relationships with health partners. Such partnerships can be hard to achieve and take time to establish, especially when health care entities are in the midst of a pandemic. Those people experiencing homelessness who do not require on-going services to stay housed may still require assistance connecting to employment and education opportunities, which may similarly require new partnerships. In short, there is a lot of work to do to address the challenges that stand in the way of jurisdictions seizing the opportunities that the funding provides.

Another key challenge is to apply the resources you have provided strategically in order to reduce homelessness.

As I have noted, organizations, agencies and their staff are depleted and struggling to seize the opportunities you have provided. It is easier to house people who have lower needs, who do

³ Joy Moses and Jackie Gardner, *Voices from the Field: Responding to COVID-19 (Part 4)* (February/March 2021), National Alliance to End Homelessness.

⁴ Dennis P. Culhane & Seongho An (2021): *Estimated Revenue of the Nonprofit Homeless Shelter Industry in the United States: Implications for a More Comprehensive Approach to Unmet Shelter Demand*, Housing Policy Debate, DOI: 10.1080/10511482.2021.1905024

not require services, who are more acceptable to landlords, or who have housing problems but are not yet homeless. All of these people do deserve assistance, and you have provided it through a variety of other programs. However, to reduce homelessness, it is essential to focus homeless resources on people who are already literally homeless. And the most strategic use of resources is to house people who are either unsheltered, or are the most likely to spend long periods of time in shelter. These are the groups that stay homeless the longest, that absorb the most homeless resources and that block the shelter system from helping newly homeless households. If they are not housed, we just keep growing the shelter system resulting in increasing, not decreasing homelessness.

A critical challenge is the need to address unsheltered homelessness. It is not acceptable that in a nation with the resources and capacity of ours, 230,000 should be sleeping on the streets every night. The unsheltered population includes people with behavioral health problems; youth and young adults; pregnant women and families living in cars or tents; older adults whose needs can no longer be met in shelter and end up on the street -- the list goes on and on. Data indicate that people who are unsheltered have much more serious health problems than people living in shelter. For example, data indicate that 50 percent of unsheltered people are trimorbid, with physical, mental and substance use illnesses, while only 2 percent of sheltered adults are trimorbid⁵. And many of these unsheltered people did not become homeless as a result of trimorbidity, but the reverse – they became ill as a result of being unsheltered. It is a challenge to house higher need people, but if we do not use the significant resources you have conferred upon us to take on the challenge of housing those with the highest needs, when WILL we be able to assist them? I hope that you will urge your constituents to use these funds to provide housing and services to those with the MOST, not the LEAST acute needs so that we can both reduce homelessness and literally save their lives.

One final challenge we face is how to emerge from this period without experiencing a significant increase in homelessness. While homelessness may have increased somewhat during the pandemic, that increase does not seem to have been as steep as was projected. This is good news – much of it due to the resources you have provided. Because of the direct financial assistance, tax credits, services, medical support and more, I believe that many, many individuals and households that would otherwise have become homeless have maintained themselves in housing.

However, many of these supports are coming to an end and the nation is also facing a period of high inflation, including for housing. Typically, homelessness is a lagging indicator of the impact of economic downturns, and this time the pandemic and the sunset of many programs that supported people in housing must be added to the mix. It is likely that there will be a wave of increased homelessness – possibly in the summer or next fall. We should prepare for this eventuality.

⁵ Janey Rountree, Nathan Hess and Austin Lyke, *Health Conditions among Unsheltered Adults in the US*. October 6, 2019, California Policy Lab.

SOLUTIONS

We are at a moment which, in my view, we are unlikely to see again any time soon, with resources adequate to make a serious reduction in homelessness. Given the opportunities and challenges we face, the Alliance recommends that communities consider the following as they work to use federal and other resources strategically and reduce the number of people who experience homelessness.

Use funding, to the maximum extent possible, to reduce the number of people who are currently experiencing literal homelessness. This will help to right-size the current system by reducing the number of people it has to serve, with particular emphasis on those who are otherwise most likely to be homeless for long periods of time.

Use the funds to help people with the highest needs, where possible. This will address race equity goals, since people of color are over-represented in the high need group. This is also a group that tends to be homeless longer, so helping them will free the system to assist more people. And of course, by definition it is the group that is the most in need of assistance.

When thinking specifically of who to serve, and consistent with Fair Housing and other requirements, there are a number of high need homeless households that could be considered as priorities, obviously depending on the local profile of the population. These could include people who are unsheltered; people experiencing chronic homeless (disabled and homeless for long periods of time); people with disabilities and/or in need of permanent supportive housing; families with children and pregnant women; and older adults who are homeless⁶.

On the other hand, we would recommend that the funds not be used for prevention of homelessness, for people who could be housed with short term assistance, for people already in housing, and for those who can be helped with other stimulus assistance. Obviously, anyone who receives these funds will be helped by them. But with a generational investment in housing for the most vulnerable people on the table, research shows that it is critically important to focus those resources on people who are literally homeless, and indeed to go beyond that as possible to help those households with the most acute needs.

Use resources on strategies specifically designed to reduce racial disproportionality and disparities.

Invest in formal partnerships with other sectors, particularly employment and health and behavioral health care. While, with everything else on the table, it can be difficult to dedicate the time and resources necessary to creating such partnerships, but they are essential not only to ending homelessness, but to ensuring that investments result in stability for vulnerable households.

⁶ Culhane, D., Treglia, D., Byrne, T., Mettraux, S., Kuhn, R., Doran, K., Johns, E., Schretzman, M., 2019. *The Emerging Crisis of Aged Homelessness: Could Housing Solutions Be Funded by Avoidance of Excess Shelter, Hospital, and Nursing Home Costs.*

It is important to focus our resources on proven solutions such as Housing First. Housing First is often misrepresented as meaning “housing only.” Nothing could be farther from the truth. It can be difficult for people to benefit from services when they are living in a shelter or temporary program. These temporary living situations can be stressful and traumatic. Residents are uprooted and feel anxious about what their permanent housing situation will be. They are often not in a position to, for example, find a job or decide what services they need. Housing First programs are based on the premise that people are better able to benefit from services, become employed, and achieve stability if they are receiving services from the safety and security of a home. However, since it takes time to arrange housing, Housing First services are generally also available to people while they are in shelter or other temporary accommodation and waiting for housing. While many consumers prefer a Housing First approach, there are others who are not ready to take on the responsibilities of that model. The decision should be up to them. Congregate settings and more structured service approaches should be available to people who prefer them.

During the pandemic, many people required isolation, quarantine, or a place to go after shelters were de-compressed, and they were placed in hotels and motels. Eventually FEMA funded such accommodation. Some states (notably California) and localities took things a step further and began acquiring vacant hotels and motels for short- and long-term accommodation. Once acquired these units, often requiring very little development in order to become studio-type accommodation, have been used variously for short term shelter, transitional housing, and permanent housing. While the stock of motels and hotels is declining, there could be similar opportunities in the growing vacancies in office and retail space, often located in downtown areas. Converting such real estate to housing is a cost effective way to increase the supply of affordable rental units, especially for single adults.

Another important solution is to link people experiencing homelessness with employment that pays a living wage and can support the cost of housing. Homelessness is a very temporary state for most people: 30 percent of people who become homeless have exited homelessness after 2 weeks, and 85 percent have exited after 6 months, with a median spell of homelessness being 6 weeks. 45 percent of people experiencing homelessness are working, albeit for very low wages. All of this is to say that employment not only should be but IS the major way that people exit homelessness. We hear daily of staff shortages in a host of public, nonprofit and private entities, for positions that require no to limited specialized skills or training. Homeless programs and systems could partner with such entities to link clients to employment and help them exit homelessness even faster.

A related solution is to expand the homelessness sector’s employment of people with lived experience of homelessness. People with lived experience can, and should, be engaged in homeless services program design in order to ensure that strategies employed will be effective. They can also be much more extensively involved as staff members of homeless assistance organizations. Such a strategy would not only increase the employment of people experiencing homelessness, but improve the performance of the sector.

Finally, and critically, we must examine all of our strategies and activities through the lens of race equity. Historical and systemic racism in the key areas of housing, health care, and employment have without doubt had a major impact on homelessness, resulting in the disproportionality of almost all peoples of color experiencing homelessness. And once homeless, people of color experience disparities in the effectiveness and sometimes the nature of the assistance they receive. While the homelessness system has little ability to prevent people of color from becoming homeless, it certainly can be diligent in assessing the impact of its assistance on all of the people it serves; discovering whether the impacts of that assistance affect some people less effectively than others; and if so, how those disparities can be remedied.

CLOSING

People experiencing homelessness have suffered tremendously during the COVID pandemic. Their living situations, already grim, often became worse. COVID outbreaks occurred. Shelters decompressed or closed leaving people with no place to stay except the street. The public railed against encampments, some of which were taken down, destroying residents' only link to support or a sense of safety.

On the other hand, some positive steps have been taken. Programs increased shelter beds and focused on getting people off of the streets and to indoor settings. Hotel and motel rooms were deployed on a significant scale to protect people's health and also to provide them with a place to stay. Importantly, the resources that Congress provided via the CARES Act and the American Rescue Plan Act give us a real opportunity to reduce the number of people experiencing homelessness, and to place tens of thousands of them into housing. And while both the homelessness and the public sector are depleted from two long years of uncertainty, illness, isolation and economic challenges, still they are determined to piece things together to make progress on the issue of homelessness.

The Financial Services Committee and the Subcommittee on Housing, Community Development and Insurance have led the charge to ensure that people experiencing homelessness and housing instability were not only not forgotten as the stimulus bills moved through the Congress, but that ground-breaking resources were provided to address homeless and housing instability. We have a lot of work to do, but we are determined to seize this moment to turn the ship and begin to reduce the size of the homeless population over time. Our deepest gratitude to the Committee and the Subcommittee for all that you have done to help end homelessness.

**Testimony for the U.S. House Committee on Financial Services
Subcommittee on Housing, Community Development and Insurance**

February 2, 2022

**Housing America: Addressing Challenges in Serving People
Experiencing Homelessness**

**Sister Donna Markham OP, Ph.D.
President and CEO, Catholic Charities USA**

Thank you for the opportunity to submit written testimony regarding, “Housing America: Addressing Challenges in Serving People Experiencing Homelessness,” on behalf of Catholic Charities USA (CCUSA), a national organization representing more than 167 diocesan Catholic Charities member agencies, which operate 3,500 service locations across the country.

Last year, the CCUSA network provided help and created hope for over 15 million people.¹ Many of the people coming to Catholic Charities agencies are homeless, in search of shelter, in need of basic services, including rental assistance, or looking for an affordable place to live. In 2020, the Catholic Charities network helped almost 180,000 people access stable and affordable housing, provided homeless-related services to over 403,000 individuals, and operated over 37,000 units of permanent housing.

Catholic Charities operates in all areas of the housing continuum which includes housing with project-based subsidies for seniors and families, shelter and transitional housing, homelessness prevention, permanent supportive housing for formerly chronic homeless persons, housing first, and rapid rehousing. Catholic Charities also provides critical, housing-related support services such as case management, social services, basic needs and emergency utility assistance. Additionally, member agencies provide housing counseling services, such as budget counseling, that help people remain housed.

As you well know, homelessness and the lack of affordable housing were major issues for millions of low-income and marginalized households before the pandemic. “On a single night in January 2020, 580,466 people – about 18 of every 10,000 people in the United States – experienced homelessness across the United States. This represents a 2.2 percent increase from 2019.”² Children, seniors, people with disabilities, working families, and even veterans were already struggling to pay their rent and at risk of losing their housing. Also, decades of systemic, unfair housing policies have blocked minorities, especially Black, Hispanic and Native-American households, from building wealth and obtaining economic security. The result is significant racial disparities in housing and homelessness.

Homelessness continues to impact our country and without swift action from the federal government to support stable housing initiatives, more people will suffer the same fate. To effectively reduce homelessness, the nation must first prevent people from becoming homeless. Therefore, we would like to share with you challenges to serving people experiencing homelessness as identified from frontline workers:

1. Lack of outreach workers and permanent supportive housing

There are two major issues identified within the “continuum of care.” One issue is found at the beginning of the continuum of care and the other at the end.

At the beginning, there are not enough street outreach workers going into homeless encampments, creating relationships, and helping homeless individuals, including veterans, to receive services. Street outreach is crucial not only for initiating clients into homeless services but also for following up on their particular cases. Homeless individuals can be slow to trust – for good cause – which is another reason why street outreach is so important, as it shows care for and a willingness to meet them where they are.

¹ 2020 Annual Report, Catholic Charities USA, www.catholiccharitiesusa.org.

² 2020 Annual Homeless Assessment Report Part 1 to Congress, U.S. Department of Urban Development, www.hud.gov

At the end of the “continuum of care” process, once clients have received services (i.e., rapid re-housing, transitional housing, support services), there is not enough permanent supportive housing (PSH) or rental assistance vouchers to stop the cycle of homelessness.

Recommendation: Increase resources for street outreach and permanent supportive housing. The Build Back Better Act (BBB) includes \$15 billion for the national Housing Trust Fund, which is frequently used to build permanent supportive housing and other housing that is affordable to people with the greatest needs. BBB also includes \$24 billion in rental assistance to fund housing choice vouchers including 300,000 new vouchers that would benefit approximately 700,000 people of whom 274,000 are children, 138,000 are people with disabilities, and 76,000 are seniors.³ In addition, part of the BBB voucher funding would help about 80,000 households experiencing, or at risk of, homelessness. Congress should include these resources in any budget reconciliation bill, along with investments in rental assistance and public housing that serve households with the lowest incomes. In addition, Congress should provide funding to cover the cost of case management services.

2. Homeless Management Information System (HMIS)

The HMIS system does not allow providers to access information entered by other service providers and community-based organizations. For example, a homeless individual might receive varying services from five different providers/community-based organizations. If an individual provider is not aware of the other services already being provided, the result may be disjointed care for clients and the potential for duplication of services.

In a situation where a service provider (street worker; case manager) encounters a homeless person and/or a severely mentally ill person on the streets, the service provider should be able to access HMIS to see what services the homeless/mentally ill person is receiving and any case manager information that is available. Street workers and case managers that have access to the services being provided a client are better equipped to help with the client’s continuity of care.

Recommendation: The HMIS should be updated to facilitate the sharing of information among providers. The loosening of these restrictions would give frontline providers a better picture of the services a client is receiving under the continuum of care. To improve upon the existing continuums of care, the HMIS and HUD Housing Counseling System data should be linked in order to better assist in the case management of clients, identify emerging trends for homelessness, track better the direct assistance provided to clients, and connect clients to counselors.

3. Sharing Personal Information

Many homeless individuals choose to forgo services because the process is too intrusive. For some homeless individuals, having to frequently give out personal information and stories can re-trigger trauma.

Recommendation: Create a centralized system so that homeless individuals are not constantly sharing their personal information when trying to access services.

³ BBB Includes Major Investments in Affordable Housing, The Center on Budget and Policy Priorities, <https://www.cbpp.org/blog/bbb-includes-major-investments-in-housing-affordability>

4. Number of Documents Needed

In order to qualify for permanent supportive housing and housing vouchers, a homeless person must produce the following documents: birth certificate, social security card, government issued identification, physician letter on disabling conditions, supplemental security income award, Medicaid or health insurance card, and documentation of time spent homeless (letters from homeless outreach workers and/or HMIS services documentation).

It is impractical to expect persons experiencing homelessness to produce this much documentation especially given that they lack a home and often have lived on the streets for a long time. Additionally, most homeless or severely mentally ill persons do not have the ability to obtain all of these documents without assistance.

Outreach workers/case managers need perseverance and an incredible amount of time to help clients obtain qualifying documents. Some agencies report having to spend an entire day with a client just to obtain an ID and additional days/times for other documentation. Such time-consuming efforts indicate the necessity for funding long-term intensive case management/street outreach.

Recommendation: Reduce the number of documents a homeless individual need to qualify for permanent supportive housing. For example, to prove citizenship either a birth certificate or a social security card should suffice; no need for both. Provide funding for long-term intensive case management and street outreach.

5. Need for long-term/intensive case management

Between approximately one to three years of intensive case management is needed to help a homeless and severely mentally ill person receive housing, income, and support services. Case managers often carry a caseload of 25 to 100 or more clients, which means less time for individuals. Case managers need smaller caseloads to have the time necessary to help each client navigate through all the barriers to housing and income.

Recommendation: Support full funding to cover the cost of case management, smaller caseloads, and long-term case management services (up to three years).

6. Medicaid billing for services

In many clinic-based and community-based organizations, case managers are required to bill 25 out of 40 hours of face-to-face time with their clients. Often case managers carry caseloads of up to 100 or more clients who are either in homes or homeless. In order to satisfy the 25-hour threshold, caseworkers tend to meet in-home clients first, and more often, than with homeless clients. Searching for homeless clients takes a lot of time and is not billable, which disincentivizes caseworkers to search for them.

Recommendation: Support value-based care in social services so case managers can spend time looking for and working with the most severely mentally-impaired clients on their case load. The healthcare system is moving away from fee for services to value-based care. Social Services should too. Congress should also ensure adequate training dollars in the Department of Housing and Urban Development (HUD) budget to ensure agencies are maximizing eligible Medicaid/Medicare reimbursements.

7. **Medication Management**

Housing is needed for the severely mentally impaired. The housing should include affordable rent, meals and medication management. These individuals often need daily reminders to take their medications routinely.

Recommendation: Support funding for programs to serve the severely mentally ill that include affordable rent with daily medication management.

8. **Wait times for substance abuse treatment**

Often people experiencing homelessness need detox and substance abuse treatments, but too often there are waiting lists to get treatment, especially for individuals without insurance or on Medicaid. For example, a client in desperate need of detox reached out for help with getting into a treatment facility. The case worker called the only detox facility in the area and was told there was a waiting list and to call back. Several follow-up calls were made. Unfortunately, the person died that same week in his apartment waiting to get treatment.

Recommendations: Increase the number of detox and substance abuse treatment facilities that accept Medicaid.

In addition to the aforementioned barriers, frontline workers also report:

- The value of the housing voucher is inadequate in some markets to keep pace with rising housing costs. HUD should expand its use of Small Area Fair Market Rents and other measures to allow vouchers to meet the needs of households in areas with growing rents.
- There is a lack of affordable housing and an adequate supply of rental housing to truly address the unsheltered. Congress should expand and better target federal resources to help build and make housing affordable to people with the lowest incomes.
- Landlords often refuse to accept housing vouchers or to renew leases because they can charge higher rent. Federal legislation is needed to ban discrimination on the basis of “source of income.”
- More flexibility is needed in administration of unused housing vouchers allocated for specific populations. For example, staff from one agency report their community has over 400 unused vouchers allocated for a special population for whom the need has been met. However, remaining vouchers cannot be used for other eligible households.
- Restrictive zoning laws that limit the capacity to develop affordable and multi-family housing.
- Lack of access to housing for mixed-status families and those with criminal records. Congress and HUD should lower barriers households face when attempting to access federal housing assistance.
- No existing funds to adequately fund housing navigation.

We would also like to share with you the following recommendations submitted to the U.S. Interagency Council on Homelessness for their strategic plan:

- Increase access to housing for children aging out of foster care by authorizing HUD to make Family Unification Program vouchers available through every agency that administers housing and to provide the vouchers to all at-risk foster youth who need them as they age out of the child welfare system. In addition, support a holistic approach that includes access to case management services, education, financial literacy, nutrition, and employment and job training should be included.
- Provide emergency relief to youth, children, and families experiencing homelessness in light of the economic consequences of COVID-19. This could be done by establishing a direct funding stream to nonprofit agencies working on the frontlines to provide social services.

- Provide free or subsidized housing arrangements and access to other services for homeless and/or struggling college students.
- Continue funding to jurisdictions via the Emergency Solution grants, which provide aid to people experiencing housing insecurity in order to prevent them from becoming homeless. Payments provided to individuals via these grants should include mandatory (or strongly encouraged) housing counseling. Data shows that individuals and households that work with a housing counseling agency are less likely to default on mortgages or be evicted for non-payment of rent, which reduces the chance of becoming homeless. Housing counseling also increases access to resources and skills to manage their housing situation. This is in addition to the need for affordable and safe housing for all.
- Create a housing program for returning citizens that assists them with connecting to family or friends, offers financial assistance, and provides services to support living arrangements. In the event returning citizens cannot connect with family or friends, priority should be given to permanent supportive housing. In addition, transitional housing/rapid rehousing options could be used to provide services and financial support for a specified period. Other services should include discharge planning while incarcerated, including access to mental health services and providers for all who need them.
- Create a plan to address senior homelessness that includes access to geriatric professionals who understand and are sensitive to the needs of seniors, stabilization of physical and mental health, investment in permanent supportive housing for the senior population, and eligibility expansion for supportive services to include older homeless adults ages 55 to 65.
- The federal government should also streamline the utilization of screening, brief intervention and referral treatment (SBIRT). SBIRT is instrumental in teaching coping skills and healthy social interaction. Promote utilization of a collaborative care model with the goal of single coordinated care plans and single electronic health records (EHR).
- Increase Respite Care services and the number of available beds to the homeless population.
- Provide increased funding for additional HUD-Veteran Affairs Supportive Housing vouchers.

Additionally, we would like to share the following models as solutions to addressing and preventing homelessness:

Healthy Housing

The CCUSA Healthy Housing Initiative (HHI) pilot coordinates permanent housing placement, case management and social services of Catholic Charities with the primary care and behavioral health services of Catholic Health to reduce chronic homelessness.

The CCUSA HHI has three goals:

1. Reduce chronic homelessness by 20%;
2. Decrease Emergency Room/Hospital utilization of those housed by 25%; and
3. Connect 35% of the newly housed persons to primary care and behavioral health services.

The HHI addresses chronic homelessness from a holistic perspective:

- **Housing** - develop affordable housing and/or connect clients to housing providers.
- **Services** - connect housed clients to case management, health and behavioral health services.
- **Advocacy** - pursue policies, resources and solutions to alleviate chronic homelessness.

The HHI is a person-centered initiative to solve chronic homelessness and restore lives through the provision of permanent supportive housing (PSH) integrated with intensive case management and access to behavioral and healthcare services. HHI permanent supportive housing includes onsite or accessible health services by Catholic or mission-aligned local hospital systems; behavioral health services and case management services

provided by local Catholic Charities agencies and other organizations; and, property management supported by a Catholic Charities case manager to work with formerly chronic homeless households.

The HHI is a five-year pilot from January 2020 through December 31, 2024, in five pilot cities: Detroit, Las Vegas, Portland, St. Louis and Spokane with the goal to expand across CCUSA's national footprint.

Link to [Catholic Charities USA Health Housing Initiative](#).

Case Management

The Padua Program, designed by Catholic Charities Fort Worth (CCFW), completely reworks the service delivery model to center on intensive case management, not individual programs. This innovative program offers a much more holistic, comprehensive approach that includes case management, individualized assessments and service plans, small caseloads, and financial supports. The Lab for Economic Opportunity (LEO) at the University of Notre Dame evaluated the impact of this innovative program through a randomized control trial evaluation to measure: a) the impact of this new intervention on short and long-term life outcomes for people living in poverty, and b) whether any positive results are large enough to justify the greater costs.

Overall, the study results show that after 24 months in the program, Padua clients experience increases in both employment and earnings and a 26% increase in working full time. Those who entered Padua stably-housed saw a 36% increase in fulltime work and 34% increase in monthly earnings. Those who entered the program unstably-housed saw a 73% reduction in homelessness and were 53% more likely to report improved health. At program entry, families' expenses on average were 140% of their stable income. Upon program completion, families' expenses were on average 89% of their stable income. On average, families increased their liquid assets by \$5,139, for a collective savings of \$149,030. On average, families reduced their debt by \$2,380 for a collective reduction of \$91,865. Among families reaching financial self-sufficiency, only 69% were earning a living wage at program entry. Upon program completion, families, on average, were shown to earn 125% above the target living wage line.

For more information, visit this site:

[Case Study of Padua Conducted by the Lab for Economic Opportunity at University of Notre Dame](#)

Housing First

The housing crisis exacerbates homelessness due to rising housing costs and income inequality, forcing many families out of stable housing. One of the strongest mechanisms to reduce chronic homelessness is the "Housing First" approach. The Housing First approach maintains that the multiple needs of a family experiencing homelessness can only be adequately addressed when the family has stable and permanent shelter. Once a family is housed, Catholic Charities agencies can then administer holistic case management services to address their full array of needs including mental health, opioid addiction, hunger, and job training. Housing First is an evidence-based approach that has demonstrated long-term housing stability, improvements in physical and behavioral health outcomes, and reductions in the use of crisis services, such as emergency departments, hospitals, and prisons.

Homelessness Prevention Call Center-Case of Catholic Charities, Archdiocese of Chicago

The Homelessness Prevention Call Center (HPCC) offers financial assistance to people who are at risk of being evicted or who have had their heat or lights turned off due to a recent crisis. HPCC is housed and operated at Catholic Charities, in collaboration with local agencies. The Call Center's Information and Referral Specialists screen callers who are experiencing a short-term, one-time crisis, and the referral specialists determine if fund resources are available (such as state, municipal, and county programs, as well as private funds). The Journal of Science published the results of the August 2016 [study](#) by the Lab for

Economic Opportunity at the University of Notre Dame, which evaluated the Homelessness Prevention Call Center run by Catholic Charities Chicago. The study findings revealed that callers who received financial assistance were 76% less likely to enter shelter within six months of their call versus those who called when funding was not available. The study also showed that even a year later these individuals were significantly less likely to become homeless.

For additional information, please see the LEO Policy Brief.

Veteran Homelessness

Veterans are particularly at risk of homelessness. The Housing and Urban Development Veterans Affairs Supportive Housing (HUD-VASH) program started in 1992 as a care source for homeless veterans with psychiatric and substance abuse disorders. Since then, the program has expanded with over 87 vouchers distributed in FY2017 and the needs of homeless veterans coordinated by more than 450 continuums of care. The Lab for Economic Opportunity at the University of Notre Dame examined the impact of the HUD-VASH program on veteran homelessness and found that every voucher increased permanent supportive housing beds by 0.9 (by about one bed), and reduced veterans' homelessness by slightly more than 1 (for every voucher, there was about 1 less homeless person).

For more information on the published study visit American Journal of Public Health.

Housing Stabilization-The Case of Catholic Charities Eastern Washington (Spokane, WA)

Case workers at Catholic Charities Eastern Washington Diocese of Spokane Community Housing Program help clients transition from homelessness. They help residents succeed in housing by assisting with skills development such as meal planning, taking care of their apartment and setting boundaries. Through Catholic Charities' housing stabilization program, families and individuals experiencing homelessness, or living with a disability, can receive referrals for assistance for housing, employment, disability benefits and recover from opioid use disorder. Supportive housing caseworkers' partner with clients to help them find and qualify for housing and to access services that will help them achieve their housing goals. Caseworkers empower clients exiting the State Hospital to continue their behavioral health treatment and work alongside certain Medicaid-eligible households that have experienced homelessness and are looking to move into permanent housing.

Diversion Programs-The Case of Catholic Charities Eastern Washington (Spokane, WA)

Diversion programs such as those operated by the Diocese of Spokane Catholic Charities Eastern Washington assist households challenged with navigating the housing systems in order to obtain and maintain permanent housing. Diversion collaborates with households to help them avoid or resolve homelessness. Every household is partnered with a diversion specialist who reviews their housing situation and assists with creating a plan to overcome their housing challenges. The program does not have access to financial assistance for direct housing costs such as rent arrears or security deposits. Instead, case managers direct program participants to community resources, provide job search assistance, educate on life and tenancy skill, assist with landlord/tenant mediation, tenant rights and responsibilities classes.

Every day, Catholic Charities agencies serve the needs of our most vulnerable sisters and brothers seeking help, compassion and care. We urge you to seize this opportunity to make the difference in the lives of those who are struggling to afford a home, who are homeless or who are at-risk of becoming homeless. To do so, housing must remain a priority in any reconciliation package passed by Congress. Thank you for your consideration of these important recommendations.

Respectfully submitted,

Sister Donna Markham OP, Ph.D.
President & CEO

COMMUNITY SOLUTIONS

Written testimony to the House Financial Services Committee: Subcommittee on Housing, Community Development and Insurance

Virtual Hearing - Housing America: Addressing Challenges in Serving People Experiencing Homelessness

Wednesday, February 2, 2022

Community Solutions is a national not-for-profit working to create a lasting end to homelessness that leaves no one behind. Built for Zero, an initiative of Community Solutions, was launched to learn what it takes to drive and sustain population-level reductions in homelessness. It has grown to involve nearly 100 US communities that are using real time data and quality improvement methods to reduce homelessness to “functional zero”—a measure of homelessness being rare overall and quickly resolved when new housing crises occur. These communities are proving that data-driven collaborations among government and not for profit organizations is the key to solving homelessness. Since Built for Zero was launched in January 2015:

- 14 communities have ended veteran or chronic homelessness;
- 43 communities have driven a measurable reduction in homelessness for at least one population; and
- 61 communities have achieved quality real-time data, enabling them to know everyone experiencing homelessness by name, in real time and with quantitative reliability—the foundation for achieving results.

Through our work with roughly a quarter of all Continuums of Care (CoCs) across the country—including direct work with the constituents of the Representatives Lawson and Cleaver—we know that a significant investment in housing and housing-related services is needed to prevent and end homelessness.

The first priority of this subcommittee should be to dramatically reduce and end homelessness at the population level, and hold the homelessness response systems it funds accountable to this goal.

With billions of federal dollars flowing into states and localities for housing and social services, and hopefully more on the way, population-level—as opposed to programmatic level—outcomes are more achievable than ever.

In order to measure progress towards this goal, the federal government should **move to a definition of an end to homelessness that is measured in close to real time**, is tied to clearer data quality standards and includes an explicit equity component (current definitions do not assess whether community systems have racially equitable responses to homelessness), and has an active measure of sustained reductions over time. Over the last five years, our sector has amassed new knowledge supporting the need for clear end-state measures to drive reductions in homelessness in communities. Homelessness policy coming from this subcommittee should make the definitions of what it means to end homelessness for various populations clearer, include an explicit equity component, and ensure they are being used continuously, beyond the federal confirmation process. Establishing a simpler, more transparent and measurable definition will build credibility that homelessness can be ended and expand local buy-in for achieving and maintaining that standard.

To empower communities to make evidenced based decisions toward ending homelessness, they need an accurate, real time awareness of the number of people experiencing homelessness in order to know what interventions are working and be more nimble and responsive to what is actually happening on the ground. **Real-time, by-name data is essential for driving progress in reducing and ending homelessness.**

To drive progress across the country towards this goal, agencies and governments must work together towards a shared aim and measurement framework which creates accountability. With new affordable housing units being brought online, resources being made available through HOME-ARP, still unallocated Emergency Housing Vouchers, and potential funding in the Build Back Better legislation, there is an unprecedented opportunity to create new paths from homelessness to permanent, stable housing. This committee should work towards linking local coordinated entry systems to positive housing outcomes for those experiencing homelessness, and ensuring these resources are used to drive population level reductions. Legislation should encourage and **incentivize communities** to work together across agencies and jurisdictions to achieve these reductions. This subcommittee can also support new scoring and reporting metrics in Notice of Funding Opportunities (NOFOs) with the Department of Housing and Urban Development (HUD), the Department of Veterans Affairs (VA), and the United States Department of Agriculture.

From the experiences of these communities— ranging from large cities to balance of state continuums of care—we see common challenges that call for fresh action. We've aggregated the most common challenges from across these communities:

Staffing Capacity and Skills Deficits. Many CoCs struggle to attract talent with the skills and experience needed to improve system-wide CoC outcomes, apply data analytics as a system improvement tool and coordinate the complex functions of local homelessness response systems to achieve population-level reductions. Right now, CoCs are evaluated by system performance measures but may not have anyone dedicated to overseeing and driving these metrics, nor anyone responsible for guiding coordinated, population-level efforts to achieve reductions in homelessness.

Communities need dedicated and experienced data, process and systems improvement leaders. The amount of data analysis and systems management capability needed to knit together multiple resources requires staff trained and fully devoted to doing this work.

Challenging Geographies. Homelessness in rural and tribal communities is often out of sight due to limited services and outreach capacity in these geographically large areas. Also, rural CoCs typically do not have the capacity to reach people where they are. Those experiencing homelessness in many rural areas must travel long distances to access services, and the CoC frequently lacks resources to cover what can be thousands of miles within their jurisdiction to seek out people experiencing homelessness in the most remote areas. Dedicated outreach capacity is needed in rural communities to reach and assist residents who are not always well-served by the current CoC structure and capacity. This additional capacity funding could be achieved through [Rep. Axne's draft proposal concerning rural homelessness](#), which would include additional capacity building activities. In addition to internal CoC capacity, external capacity can be created through facilitated cooperation between the USDA and HUD to coordinate service delivery and maximize existing programs, with the USDA being a trusted partner in many of these communities.

Definitional Alignment. Non-urban communities face multiple challenges in reducing homelessness. Rural homelessness and homelessness in tribal communities doesn't usually look like homelessness experienced in metropolitan areas. This includes [substandard rural housing that is unfit for human habitation](#). The stories of those experiencing rural homelessness are not always reflected in the current policies and definitions. Homelessness legislation should draw from the experiences of rural and tribal communities—and draw on the USDA—to better understand and define homelessness in rural and tribal communities across the federal government.

Technology and Data Systems Management. Existing data and technology standards do not produce the real-time, by-name data needed for communities to track racial equity in their homelessness system or support the achievement of population level reductions in homelessness. Homelessness data must be both portable and interoperable. To best serve those experiencing homelessness, the federal government should support the development of a free, open standards-based Application

Programming Interface (API) and set of data models for client social determinants of health data. This would include a client's history of homelessness and services (building on the Fast Healthcare Interoperability Resource [FHIR]). Additionally, the government should require the use of APIs to improve the electronic exchange of social determinant of health (SDOH) data into and out of HMIS and to enable greater care coordination and a SMART Health IT analog for the homeless response sector.

Finally, beyond the programmatic and systems challenges above, which still largely work within the status quo, the biggest barriers to ending homelessness are the existing governance and funding structures that silo the systems that need to work together to solve the problem. The most effective way to end homelessness in a community is to break down the silos between agencies and government bodies at every level and direct funding through a single entity accountable for ending homelessness in a given community. The sharing of information—like that between public housing authorities and CoCs which would be required by Rep. Sherman's [Homeless Assistance Act of 2021](#)—is a great start. Grants to develop infrastructure to share information between the healthcare and homeless service systems—as proposed in Rep. Dean's [Helping People Experiencing Substance Use Disorder and Homelessness Act of 2022](#)—could have benefits beyond just those living with substance use disorders and help a wide range of people who experience the negative social determinants of health brought on by being unhoused.

Congress must include housing investments as part of the Build Back Better reconciliation legislation

Access to stable, affordable housing is a proven solution to better educational, economic, and health outcomes, and any decrease in the size of the overall recovery package should not come at the expense of housing assistance. Rental assistance, public housing, and the Housing Trust Fund are three essential programs that serve America's lowest-income and most marginalized households who face the greatest, clearest needs. These programs must be funded at the historic levels approved by the House Financial Services Committee.

The United States has a massive shortage of affordable housing, and this shortage is concentrated among the poorest Americans. Nationally, there is a shortage of 7 million homes affordable and available to the lowest-income renters. For every 10 of the lowest-income renter households, there are fewer than 4 homes affordable and available to them. There is not a single state or congressional district in the country with enough affordable homes to meet this demand.

Without affordable housing options, more than 10 million renter households are severely cost-burdened, paying more than half of their incomes on rent; 3 out of 4 of them have extremely low incomes. They include more than 1 million people, many with disabilities, who

are in a perpetual state of crisis—experiencing homelessness, living in overcrowded institutions or in emergency service settings. America's housing crisis disproportionately impacts Black, Indigenous, and people of color (BIPOC), who are more likely than white households to have extremely low incomes, pay more than half of their income on rent, or experience homelessness.¹

Investment in housing at the scale of or greater than what is currently included in the House Financial Services Committee's Build Back Better bill is needed to keep millions of Americans securely housed, assist those currently living in shelters to find permanent, affordable housing, and move millions of Americans off the precipice of housing instability and homelessness. We implore Congress to enact the historic investments in the country's affordable housing infrastructure, including \$90 billion to expand rental assistance to 1 million more households, \$80 billion to preserve public housing for more than 2.5 million residents, and \$37 billion for the national Housing Trust Fund to build, preserve and rehabilitate 330,000 apartments affordable to the lowest-income people.

In addition to the landmark investments in housing, we also request the inclusion of outcome-driven improvements to existing programs at the Department of Housing and Urban Development in order to directly address the above barriers. Specifically, new investments in program administration funds targeting the capacity building in CoCs to help drive down the number of people experiencing homelessness nationwide, and funding for the conversion of transitional housing to permanent housing for veterans experiencing homelessness.

Systems Improvements Managers (SIMs)

From our work with roughly 25% of the country's Continuums of Care, we know that many communities are struggling without dedicated and experienced data, process and systems improvement leaders. Without this capacity they are unable to efficiently utilize the information available in the HMIS system or to excel on their Systems Performance Measures (SPMs) and Longitudinal Systems Analyses (LSAs). To meet this need, dedicated data capacity and expertise is needed in each CoC. These FTEs must be responsible for and accountable to the SPMs and LSAs in order to reach the end goal of making meaningful population-level reductions in homelessness. They would also ensure that COVID Relief funds already appropriated, would be leveraged and expedited to improve program efficacy. Approximately \$120,000,000 per year for three years would fund on average two of these system improvement managers (SIMs) per CoC.

The SIMs would be trained and empowered to use real time data to drive outcomes and population reductions in homelessness. Unlike other staff whose primary role is supporting programmatic, compliance, or organization-specific goals, these individuals will be uniquely

¹ <https://reports.nlihc.org/gap>

responsible for coordinating system-wide efforts to achieve reductions in homelessness across the entire CoC as measured in the SPMs and LSAs.

Currently, CoCs are evaluated by SPMs but may not have anyone directly accountable for these metrics given limited resources. The SIMs would be accountable for driving positive outcomes in SPMs, and their performance would be evaluated against these measures and whether the CoC has achieved population-level homelessness reduction goals.

At least one SIM per CoC will provide this vitally needed support for achieving success in SPMs and LSAs. The SIMs would be able to optimize new federal and other funding coming into the community (emergency assistance, disaster relief, support services resources, etc.) to improve SPM and LSA outcomes to drive permanent reductions in homelessness.

Many CoCs struggle to attract talent with the skills and experience needed to improve system-wide CoC outcomes, apply data analytics as a system improvement tool and coordinate the complex functions of local homelessness response systems to achieve population-level aims. Recognizing this challenge and the private market competition for such roles, a baseline allocation of an average of \$150,000 per year per SIM should be available to attract talent with the levels of expertise to optimize each CoC's data capacity.

In addition to data capacity, the human capital challenges facing rural and balance of state (BoS) CoCs are longstanding and persistent. Rural homelessness and homelessness in tribal communities doesn't usually look like homelessness experienced in metropolitan areas. Homelessness in these communities is often out of sight, and a recognition or definitional gap often exists between the person experiencing homelessness and service providers. And due to the geographic make up of many CoCs, those in charge of reaching people experiencing homelessness in rural and tribal areas are often responsible for large geographies—sometimes thousands of square miles—as part of a balance of state CoC, or their time and capacity is taken up by the more urban location(s) within their regional CoC.

Rural CoC capacity building

Dedicated staffing capacity is needed to reach and assist those experiencing homelessness in the most rural areas. \$35,000,000 per year would fund over 460 FTEs at \$75,000 annually specifically targeted to rural and tribal communities, or roughly one FTE for every four rural counties with additional capacity for tribal lands as they join or participate in the CoC program. Each FTE hired under this funding would be required to devote 70% of their time towards outreach and service delivery in a rural or county or counties, as defined by HUD or the USDA Rural Development Program, or in tribal areas, with the goal of ending homelessness as it is experienced in these communities among the most vulnerable, hard to reach resident that are not always well-served by current CoC structure and capacity. These FTEs would also be charged with maximizing service delivery within the rural

counties or tribal areas rather than centering services around the most metropolitan communities within the CoC, and to identify, document, and provide outreach to those experiencing rural homelessness. FTEs shall conduct stakeholder outreach within their dedicated communities to engage local institutions, including the integration of any new or one-time resources made available through this act, the American Rescue Plan, the CARES Act, or any future funding. FTEs shall coordinate these outreach and delivery activities with USDA Rural Development.

Tribes or Tribal Designated Housing Entities (TDHEs) who elect to participate in the CoC program or who partner with the Collaborative Applicant of an adjacent CoC would also be eligible for this funding to provide outreach and support on tribal lands. Funding for Tribes and TDHEs who do not participate in the CoC program or partner with a local CoC could be made available through Indian Housing Block Grants.

This funding shall be administered as part of the CoC Program Competition. This funding shall be in addition to, not in lieu of, any other funding allocated to the CoC Program Competition. This funding shall only be available for the purpose of funding FTE capacity in CoCs in areas that are or include rural or tribal communities. Any funding remaining at the end of the three years shall be reallocated the following year(s) for the same purpose.

The use of the proposed funding for its intended purpose shall be considered a continuation of outreach services and shall not be considered a new project for the purposes of CoC application scoring.

VA Grant Per Diem permanent housing grant program

Remarkable progress has been made in reducing veteran homelessness throughout the country over the past 11 years, but finishing the job of ending veteran homelessness requires addressing the inadequate supply of housing available to the lowest income veterans and those with disabilities and clinical support needs. With the end goal of helping even more veterans exit homelessness, \$50 million—in line with the current capital grant Notice of Funding Opportunity which is aimed at the conversion of congregate shelters to single occupancy transitional housing—should be made available to enable the conversion of current Grant Per Diem (GPD) veteran shelter facilities into permanent affordable and supportive housing. Flexibility within the GPD program and resources to convert these structures to meet the housing needs of veterans will address the reduced demand for shelter beds in communities that are ending veteran homelessness.



Striving to Build Better Communities

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February 9, 2022

The Honorable Emmanuel Cleaver
Chair
House Financial Services Committee
Subcommittee on Housing, Community
Development, and Insurance
2129 Rayburn House Office Building
Washington, DC 20515

The Honorable French Hill
Ranking Member
House Financial Services Committee
Subcommittee on Housing, Community
Development, and Insurance
2129 Rayburn House Office Building
Washington, DC 20515

Dear Chairman Cleaver and Ranking Member Hill:

Last week's hearing, "Housing America: Addressing Challenges in Serving People Experiencing Homelessness," focused on efforts to advance housing and other important assistance for persons facing housing instability.¹ The [Council of State Community Development Agencies](http://www.coscda.org) (COSCD A) welcomes this engagement with both national and local-based panelists offering key perspectives on how to promote homelessness programs and related supportive services. COSCD A's membership includes state homelessness programs dedicated to persons with limited housing specifically in small and rural communities. Through U.S. Department of Housing and Urban Development (HUD) resources such as Emergency Solutions Grants (ESG) and Housing Opportunities for Persons with AIDS (HOPWA), COSCD A members use these crucial federal funds to further state and local activities on outreach, rapid rehousing, shelters, and other key areas of support.

While significant strides have been made in recent years, several issues inhibit homeless assistance especially considering COVID-19's effects on extremely vulnerable populations. A combination of lacking resources, restrictions on program funding, diminished capacity, and data availability are contributing to this dilemma. State and local networks remain essential to improving outcomes for extremely low-income persons. COSCD A offers our recommendations to update existing programs and strengthen aid in homelessness support systems.

Overview

Emergency Solutions Grants

The ESG program directs funding to state and local governments advancing various activities in housing and related support. ESG invests in five eligible activities - 1) street outreach, 2) emergency shelters, 3) homelessness prevention, 4) rapid re-housing, and 5) data management. ESG is funded as a part of the larger Homeless Assistance Grants (HAGs) through annual appropriations and overseen by HUD's Special Needs Assistance Programs (SNAPS). Funds are distributed through a formula allocation to states, localities, and

¹ House Financial Services Committee – Subcommittee on Housing, Community Development, and Insurance. Housing America: Addressing Challenges in Serving People Experiencing Homelessness. February 2, 2022:
<https://financialservices.house.gov/events/eventsingle.aspx?EventID=408499>.

Deborah Johnson, Maine, President ■ Allison George, Colorado, Vice-President ■ Rebecca Frawley Wachtel, Massachusetts, Treasurer ■ Traci Watts, Louisiana, Secretary
Dianne E. Taylor, Executive Director

territories. States and localities are required to match nearly all of their federal funding. Planning and performance reports are also required by the jurisdictions on a regular basis.²

Housing Opportunities for Persons with AIDS

The HOPWA program dedicates resources to states, localities, and non-profit organizations for housing assistance and other services supporting low-income families and individuals living with HIV/AIDS. The program is divided between two grants with 90% of the funds directed to states and localities through formula and the remainder offered through a competitive grant process. HOPWA can be used for several activities related to housing, services, planning, and development such as housing production, rental assistance, mental health services, and job training. Grantees report on planned use of HOPWA funds through the consolidated plan updated every three to five years.³

Modern Challenges

COSCOA members administer ESG funds to meet homelessness needs in small and rural communities. Common activities directed by states include outreach, transitional housing, and support to emergency shelters. Overall, various activities supported by homelessness assistance programs including ESG demonstrate successful results. Both permanent supportive housing (PSH) and other permanent housing (OPH) are very effective in pairing persons with stable housing. National data from 2020 shows that 96.5% of persons aided through PSH or OPH achieved permanent housing once assistance ended. In comparison, 40.1% of persons helped through emergency shelter, Safe Haven, Transitional Housing, and Rapid Re-Housing obtain permanent housing once homelessness aid is complete. On the other hand, persons returning to homelessness after receiving these forms of assistance is substantially low; only 9% of assisted persons return to homelessness within six months of receiving aid.⁴

Considerable strides have been made in reducing homelessness however the latest data is incomplete due to restrictions on counting unsheltered homeless persons caused by COVID-19. HUD's 2021 Annual Homeless Assessment Report (AHAR) shows the number of people staying in sheltered locations declined by 8% between 2020 and 21; a steeper drop of 15% was reported for persons with children in sheltered locations. Factors linked to the pandemic likely led to these declines including fewer beds in congregate shelters, eviction moratoria, and increased use of resources for non-facility shelter like hotels and motels.⁵

Though some outcomes are trending in a positive direction, significant challenges have limited state and local responses especially over the last two years. Funding has stabilized for ESG in recent years leading to difficulties in maintaining a necessary level of support to meet homelessness needs. From 2011 to 2021, annual funding has varied from \$215 million (FY13) to \$310 million (FY17) with the most frequent level reaching \$270 million several times during this period. Appropriations in total for Homeless Assistance Grants increased from \$1.9 to \$3 billion during this span however a similar increase has not been met in the ESG program. Costs for operations, staff, and related expenses continue to rise which means level funding provides fewer activities in the program moving forward.

² U.S. Housing and Urban Development - Office of Special Needs Assistance Programs (HUD - SNAPs). ESG Program Fact Sheet. April 2019: <https://files.hudexchange.info/resources/documents/EmergencySolutionsGrantsProgramFactSheet.pdf>.

³ HUD – SNAPs. HOPWA Eligibility Requirements: <https://www.hudexchange.info/programs/hopwa/hopwa-eligibility-requirements/>.

⁴ HUD – SNAPs. Continuum of Care National Performance Report, as of 2020:

https://files.hudexchange.info/reports/published/CoC_Perf_NatTerrDC_2020.pdf.

⁵ HUD – SNAPs. 2021 Annual Homeless Assessment Report: <https://www.huduser.gov/portal/sites/default/files/pdf/2021-AHAR-Part-1.pdf>.

Issues also exist in administrative capacity especially since the start of the pandemic. The availability of staff remains critically low with small and rural jurisdictions facing considerable administrative capacity needs compared to larger communities. The sudden infusion of resources through CARES Act funding (ESG-CV) failed to adequately respond to clientele needs in large part because of limited operational capacity throughout homelessness response networks. Annual funding cycles preceding the pandemic led to personnel levels unable to accommodate renewed resources several times more than state and local programs received annually. The current administrative cap proves too restrictive for maintaining staff capacity and necessary personnel to oversee ESG functions.

Over the course of the COVID-19 pandemic, public health guidelines have consistently changed as well complicating efforts for homelessness providers to both meet basic services and ensure clientele safety. States and localities prioritized diversion throughout 2020 with increasing use of motels and hotels to promote social distancing. As vaccines became available, efforts pivoted to vaccine awareness and distribution while shelters reopened with updated health measures.

Perhaps most importantly, housing supply also remains critically low and housing costs have increased substantially on existing units. Available units of housing matter more than any factor in securing permanent housing for individuals experiencing homelessness. With minimal or no units vacant, homelessness providers have very few options to assist clients with stable housing. Rent payments have also risen which means available funding through ESG and other sources fail to keep up with costs. Fewer people can be assisted as a result.

Recommendations

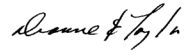
COSCDAs recommends enhanced resources, greater flexibility in federal aid, and streamlined administration to sufficiently advance homelessness assistance. Waivers established during the public health emergency have greatly assisted homelessness providers in directing aid to targeted populations; extending these on a permanent basis would complement and improve state and local activities. Resources allocated through CARES Act have reinforced housing and related support however, moving forward, a higher level of consistent funding is essential to strengthening homelessness network response. Along with additional funds, more should be dedicated to administrative needs ensuring homelessness support can be maintain and delivered as intended by Congress and HUD. Improved coordination between Continuums of Care and Public Housing Agencies would also facilitate better targeting of resources and outreach to homelessness individuals and families. Along with renewed resources and policies in federal homelessness aid, further attention is needed to housing supply. COSCDA urges a significant expansion of programs in affordable housing development including HOME, Housing Trust Fund, and Low Income Housing Tax Credit. More information on these priorities can be found in COSCDA's updated advocacy priorities for fiscal year (FY) 2023.⁶

Thank you for leading this important and timely examination of homelessness in our nation. COSCDA encourages policies, resources, and partnerships to advance quality housing opportunities for populations in need. Our network of federal program administrators offers its assistance and we look forward to working with Congress to meet these related challenges ahead.

We appreciate your consideration – please reach out if we can provide further response.

⁶ Council of State Community Development Agencies. FY2023 Advocacy Priorities. January 2022: <https://coscda.org/wp-content/uploads/2022/02/COSCDA-FY23-PrioritiesFINAL.pdf>.

Sincerely,

A handwritten signature in black ink, appearing to read "Dianne E. Taylor". The signature is fluid and cursive, with the first name "Dianne" being more prominent.

Dianne E. Taylor
Executive Director



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Lee Raagas
Chief Executive Officer

Written Statement of Lee Raagas

President and CEO, Skid Row Housing Trust

Presented to the Committee on Financial Services

For the Hearing

**Housing America: Addressing Challenges in Serving People
Experiencing Homelessness**

Subcommittee on Housing, Community Development and Insurance

United States House of Representatives

January 25, 2022

On behalf of The Skid Row Housing Trust, I would like to thank Subcommittee Chairman Representative Emmanuel Cleaver (D-MO) for holding this hearing and for the opportunity to provide a written statement on the importance of addressing the longstanding issues surrounding our twin national crises of affordable housing and homelessness. Skid Row Housing Trust is grateful to the House Financial Services Committee chair, Representative Maxine Waters (D-CA) for her tireless leadership on this issue and for the COVID relief funding to date. The leadership and unequivocal support of the Build Back Better legislation and critical homeless funding contributed to the stabilization and success of many communities in California. It is imperative that the national spotlight continue to focus on local challenges.

The Skid Row Housing Trust ("the Trust") is a 501c3 Non-Profit, Public Benefit Organization. Since 1989, the Trust has worked to provide solutions to improve the health and safety of all those in need in Los Angeles, by providing permanent supportive housing and services in the County's most impoverished neighborhood, Skid Row. The Trust builds and operates beautifully designed, high quality housing projects that serve as neighborhood anchors and currently provides 1,842 apartment homes to the people who need them most. At the Trust, we prioritize resident health and well-being through best practices such as Harm Reduction and Trauma-Informed Care.

The Trust was one of the pioneer housing providers in the United States that combined a permanent home (as opposed to a temporary shelter) with on-site social services—the model now well known as "permanent supportive housing." The Trust is also one of the leading developers and providers in Los Angeles, articulating the model for what works in housing and services for the most vulnerable. With 27 buildings enabled through a mix of financial structures, including private and public capital and funding sources, our legacy of success extends from four distinct lines of business: Real Estate Development, Asset Management, Property Management, and Health and Social Services.

The Trust's vision is not only to provide housing for formerly homeless and vulnerable individuals, but also to create a spirit of community that brings those on the fringes back into the mainstream of life. This means supportive services that restore health and well-being for the whole person on an individual level, and engagement of the larger community in the cause of ending homelessness.

The annual Los Angeles Homeless Services Authority's Homeless Count was suspended in 2021 and will take place in late February; this will provide fresh data for the first time since the January of 2020 count, which showed 66,346 people experiencing homelessness in Los Angeles County.¹ In our Continuum of Care, which excludes the cities of Glendale, Pasadena and Long Beach, the Trust was especially troubled to see 24,482 people experiencing chronic homelessness, a 58% year-over-year increase for all persons and a 123% year-over-year increase for families.² Permanent Supportive Housing ("PSH") is a vital evidence based practice to truly end homelessness. The Trust uplifts the significant consideration being given to continue support for PSH and strengthening regional systems being considered in today's hearing.

Discussion draft H.R. _____, "Housing is Health Care Act of 2022" Was introduced by Financial Services Committee Chairwoman Maxine Waters. The Bill is intended "To improve coordination

¹ <https://www.lahsa.org/news?article=726-2020-greater-los-angeles-homeless-count-results>

² <https://www.lahsa.org/documents?id=4585-2020-greater-los-angeles-homeless-count-los-angeles-continuum-of-care-coc->



among providers of supportive services for homeless individuals and to establish a supported housing program to provide rental assistance to homeless individuals with chronic mental

illnesses or chronic substance use disorders, and for other purposes.”³ This Bill is an excellent example of the immediate needs in our community that spent much of the past year mired in local debate around on homeless system governance.⁴ Skid Row Housing Trust urges this audience to eradicate homelessness by seeking innovative ways to minimize the slide into homelessness through progressive policies and safety nets with Federal government, state governments, county governments, city governments, the private sector, Community-Based Organizations (“CBO’s”) and other Non-Governmental Organization (“NGO’s”).

As a housing focused non-profit, we at the Trust are also committed to expanding our impact in programs and services that promote housing retention for renters and homeowners. More specifically, we commend HUD in their recent efforts to increase sales of non-performing mortgage note sales to qualified non-profit organization to perpetuate first time home ownership as well as affordable and diverse homeownership opportunities. Further, we encourage other government holders of distressed mortgage assets and owned real estate to also expand access to qualified non-profit organizations. Further, we encourage more states to adopt California’s foreclosure sale program, SB-10, which provides qualified non-profits opportunities to acquire foreclosed properties.

H.R. 2965 - Naomi Schwartz Safe Parking Program Act of 2021⁵, introduced by Representative Salud Carbajal (D-CA) represents the innovative leadership required by the members and staff present today working to resolve these intractable issues in every community. We must continue to identify and fund innovative programs to address the fundamental and growing crisis of housing affordability in communities throughout the country. The Trust urges the Committee to consider all options to move further upstream to prevent homelessness in the first place and reduce the amount of time our neighbors spend experiencing the unmitigated human catastrophe of people suffering and dying on our streets.

Despite the challenges and uncertainties of the past year, 2021 was a milestone year for the Trust. We celebrated (virtually) the grand opening of several new permanent supportive housing buildings. Combined, these communities will provide 251 units of permanent supportive housing in Skid Row. We also wrapped up construction on Joshua House Health Center, a medical clinic owned and operated by LA Christian Health Centers that will serve up to 7,000 people annually in the Skid Row neighborhood. In December, we announced our partnership with Simon Baron Development on the Cecil Hotel, a 100% privately financed development that will provide affordable housing for 600 unhoused and housing insecure neighbors marking an innovative structure of private and public collaborations committed to solving housing and homelessness together.

As pioneers, innovators, and leaders with boots on the ground, Skid Row Housing Trust stands ready to work with the Committee to support driving new structures that are resilient, mixed use and scalable to match the unfortunate burgeoning demand for shelter for people and families experiencing homelessness and at risk of experiencing homelessness. The Trust is grateful for the opportunity to submit this written statement and we welcome the opportunity to support the

³ <https://financialservices.house.gov/uploadedfiles/bills-117pih-housingishealthcareactof2022-u3.pdf>

⁴ <https://conta.cc/3xRNfNv>

⁵ <https://www.congress.gov/bills/117th-congress/house-bill/2965?s=1&r=50>



Committee on Financial Services and Subcommittee on Housing, Community Development, and Insurance in your critical work to resolve these seemingly intractable challenges on Skid Row and in communities across the nation.





February 1, 2022

The Honorable Emanuel Cleaver
Chairman
House Financial Services Subcommittee on Housing, Community Development, and Insurance
2335 Rayburn House Office Building
Washington, DC 20515

The Honorable French Hill
Ranking Member
House Financial Services Subcommittee on Housing, Community Development, and Insurance
1533 Longworth House Office Building
Washington, DC 20515

Letter for the Record: House Financial Services Subcommittee on Housing, Community Development, and Insurance Hearing, "Housing America: Addressing Challenges in Serving People Experiencing Homelessness"

Dear Chairman Cleaver and Ranking Member Hill,

This winter, the east coast contended with an [historic snowstorm](#) that left eight inches of snow in Washington, D.C. and more than a foot in parts of Virginia. As the nation turned its attention to the thousands of drivers stranded along the I-95 corridor, our attention was with the nearly 5,000 homeless D.C. residents forced to deal with another punishing night outside. Taylor Nuevelle was one such individual whose story was featured in the [Washington Post](#) after snow buried her tent, leaving the 73-year-old "wet, freezing and angry." For those who live or work within the District of Columbia, this anecdote is as saddening as it is believable. The striking number of homeless individuals in our nation's capital serves as a daily reminder of the broader reality faced by far too many Americans.

The J. Ronald Terwilliger Center for Housing Policy was launched this past September to advance bipartisan policies that support access to affordable housing. We are driven by the belief that every American, regardless of wealth or background, ought to have the opportunity to live in a decent, safe, and affordable home. We recognize the hard work that is required if we are to reach this goal, particularly in light of the reality that on any given night [nearly 600,000](#) Americans experience homelessness. Though much has been accomplished over the years in combating homelessness, there is no denying that relief for these Americans warrants a swift, bipartisan response from Congress.

Homelessness is the most extreme manifestation of America's affordable housing crisis. For every individual living without a home, there are currently hundreds in unstable housing situations, at risk of eviction and homelessness. [HUD found](#) that nearly 7.77 million unassisted American households experienced "worst case housing needs" in 2019, with severe rent burdens and/or severely inadequate housing.

Though many factors contribute to homelessness, an acute shortage of affordable and available homes is a key driver. The housing shortage across the country has continually worsened since the early 2000s



with new production seriously lagging demand and population growth. A [recent study](#) commissioned by the National Association of Realtors estimated that, in 2021, the country faced a shortage of between 5.5 million and 6.8 million homes, impacting both renters and homeowners alike. The lack of adequate supply impacts the lowest-income families the hardest: For every 100 low-income households (earning less than 80% of the area median income), just [55 homes were affordable and available](#). For very-low-income households (earning less than 50% of the area median income), there were [just 36 homes](#).

Though the homelessness crisis is geographically diverse, impacting every state in the Union, members of certain racial and ethnic groups are more likely to become homeless than others. In December 2021, the Terwilliger Center's [Housing Council](#), a bipartisan group of over 20 housing experts and leaders, released its report "[Understanding and Addressing Racial and Ethnic Disparities in Housing](#)," a collation of recent research highlighting the most striking housing-related disparities across the nation, including a summation of data on homelessness. Despite representing just 12% of the national population, Blacks accounted for 39% of the individuals and 53% of the families experiencing homelessness. Native American and Hispanic populations were also found to be disproportionately represented among those experiencing homelessness.

More can, and should, also be done to adequately house Americans who have bravely served in the armed forces. Veterans represent a unique subgroup of the entire homeless population, eligible for specialized federal programs and benefits. To shine a spotlight on this particularly important issue, the Terwilliger Center hosted "[America's Call to Duty: Ending Veterans' Homelessness](#)," an event focused on renewing the bipartisan commitment to ending Veterans' homelessness once and for all. Despite tremendous success in reducing the number of homeless Veterans over the past decade, [tangible impediments remain](#) in securing adequate housing for this group, including a severe shortage of affordable homes, underutilization of HUD-VASH vouchers, and a lack of VA support and medical staff.

At the Bipartisan Policy Center, we believe that the path forward rests on our ability to bridge the best ideas from both political parties to devise effective and durable solutions. As a result of the work of our various housing projects over the years—most notably the Housing Commission (2011-2013) and the Senior Health and Housing Task Force (2015-2016)—BPC believes the enactment of the following recommendations would be most effective in minimizing and, ultimately ending, homelessness in the United States:

Expand the Housing Voucher Program

The Housing Choice Voucher program is HUD's largest program, administered by thousands of public housing authorities across the country and serving approximately 2.3 million households. Yet, due to limited funding, families often wait years to receive a voucher, and only one in [four](#) eligible households receives assistance.

The BPC Housing Commission recommended making housing vouchers available to all eligible extremely low-income households (those with incomes at or below 30% of area median income) who apply for such assistance. As opposed to current program rules, the Commission recommended that all *newly* available vouchers be issued to extremely low-income households, ensuring that voucher assistance is deeply targeted to households with the greatest needs. According to an [analysis by Abt Associates](#)



prepared for the Commission, the estimated annual cost of providing increased voucher coverage was approximately \$22.5 billion annually—which was based on providing a voucher to currently unassisted and cost-burdened renter households, adjusted for expected participation.

At a time when there is enormous pressure and competition for existing federal resources, and the federal government has already spent massively to combat the pandemic and its impacts, dramatic expansion of the voucher program is an ambitious goal. Yet the impacts could be profound and transformative: it could, in effect, end homelessness for the vast majority of those experiencing it. Virtually all households experiencing homelessness have incomes under 30% of the area median and most experience homelessness almost exclusively for economic reasons. In addition, all vulnerable people with disabilities and the growing number of older adults experiencing homelessness would be able to count on stable housing.

Housing vouchers also uniquely allow low-income households to live in communities they may not typically be able to afford, offering them a chance to move out of high-poverty, low-opportunity neighborhoods. However, in part because of the difficulty of finding suitable, affordable housing or willing landlords with acceptable units, 40% of voucher-holding families with children live in areas deemed to be low opportunity—i.e., the bottom 20% of census tracts based on a composite measure of school quality, economic opportunity, poverty rates, transit access, and employment. Tenants with a voucher disproportionately live in low-opportunity, racially segregated neighborhoods and almost a quarter million children in the voucher program live in neighborhoods of extreme poverty.

This situation has led many, on both sides of the aisle, to propose policy options to remove barriers to housing choice and better support mobility, including:

- Coupling vouchers with mobility counseling, particularly for families with young children, as well as flexible funding to assist with security deposits, applications, broker fees and other barriers to housing in higher-cost neighborhoods
- Providing limited, flexible funding to public housing authorities for landlord incentives, like signing bonuses, or a damage mitigation pool
- Expanding the use of small-area fair market rents
- Further prohibiting discrimination against voucher holders
- Launching pilot programs to coordinate and connect vouchers with other federal programs to better reach and assist vulnerable populations

As BPC outlined in a [June letter to the Committee](#), there is also a long history of bipartisan support for increasing the number of available housing vouchers—from legislation to [combat Veterans' homelessness](#) to “on-demand” [vouchers for foster youth](#) at risk of homelessness as they transition to adulthood.

Provide Emergency Rental Assistance

While the incomes of extremely low-income renters are generally insufficient to afford market rate rents without ongoing assistance, households with somewhat higher incomes can afford rents on their own in many communities. However, these households are still vulnerable to income shocks and volatility, which has a causal link to homelessness. The loss of a job, the death or departure of a working



household member, or a major medical crisis can be destabilizing, leaving some at risk of eviction or homeless and others consigned to multiple unwanted moves.

In 2013, BPC's Housing Commission [recommended](#) creating a permanent, federal emergency rental assistance program for short-term relief to low-income renters that normally can afford rent but suffer temporary setbacks. Specifically, the proposal called for one-time assistance of up to \$1,200 to households with incomes between 30% and 80% of the area median. S. 2182, the [Eviction Crisis Act](#), reintroduced last year by Sens. Bennet (D-CO) and Portman (R-OH) would further this recommendation, building on the infrastructure created by the emergency rental assistance funding provided by Congress in response to COVID-19.

The legislation would create a robust Emergency Assistance Program to assist eviction-vulnerable tenants and prevent homelessness. Importantly, states could tap this new resource to transition the many emergency rental assistance programs created with COVID-related aid to a more permanent platform. Taking this step would advance a key recommendation made by the Commission—the creation of a federal program to provide short-term, targeted funding for security deposits, back rent, temporary rental assistance, utility payments and other costs to help families on the brink of eviction. It would also respond to a central concern of the Terwilliger Center's Housing Council—how to orient COVID-related emergency rental assistance programs to support long-term housing stability.

In addition to the bill's emergency rental assistance program, the Eviction Crisis Act would help policymakers obtain a fuller understanding of the eviction crisis by establishing a national database to track evictions and forming a federal advisory committee to develop recommendations for improved data collection. The legislation would also help fund efforts by state and local governments to use landlord-tenant courts and support enhanced legal representation for tenants facing eviction.

For very low-income veterans, the Supportive Services for Veteran Families (SSVF) program similarly provides case management and supportive services to 1) prevent the imminent loss of a Veteran's home or identify a new, more suitable housing situation for the individual and his or her family, and 2) rapidly re-house Veterans and their families who are homeless and might remain homeless without this assistance. SSVF began providing targeted assistance in 2011, following the announcement of a federal goal to end Veterans' homelessness in 2010. A 2016 review of the program found that 91% of participants maintained or exited to permanent housing. SSVF and other evidence-based programs that have led to significant reductions in Veterans' homelessness, particularly the HUD-VASH program, merit additional support.

Invest in Preserving and Growing the Supply of Affordable Homes

Any meaningful remedy to the homelessness crisis must ensure that an adequate supply of affordable and available homes exists for Americans at every income level. BPC has previously identified a number of bipartisan policies that would enhance the supply of affordable homes for those who need them the most:

- [Removing restrictive and costly regulatory barriers to housing development](#): Zoning permitting and other policies at the local and state levels can exacerbate the costs of producing new units of affordable housing. While influencing local regulations can be challenging as a matter of



federal policy, there exists a great need to remove such barriers as a means to enhance the development of additional rental homes. Congress should consider a broad range of incentives to encourage states and communities to meaningfully reform local housing policies that add costs or otherwise restrict construction.

- [Increase support for the Low Income Housing Tax Credit](#): BPC has repeatedly affirmed its support for LIHTC, noting its role in any consensus-driven affordable housing initiative and its effectiveness as a tool to support [public health and wellness](#). Additional support for LIHTC and the private investment it can leverage are sorely needed to increase the supply of affordable and available homes. Since 1987, the LIHTC has financed eligible low-income housing development projects through a federal tax credit that has maintained [2.3 million affordable units](#). Understanding that the housing crisis will not be solved through government intervention alone is the starting point for addressing the supply deficit, and no existing program does more to leverage private investment and build affordable housing. Building upon measures of proven, bipartisan support would go a long way towards involving the private sector in efforts to reinforce the nation's housing inventory.
- [Expand permanent supportive housing](#): [Research studies](#) have found that a chronically homeless person costs taxpayers more than \$35,578 annually as a result of cycling through hospital emergency departments, rehabilitation programs, prisons, and psychiatric institutions. According to the [National Alliance to End Homelessness](#), average service costs are reduced by about 50% when the individual is placed in supportive housing. Compared to the all-in costs of serving a chronically homeless person, supportive housing—including services—saves taxpayers roughly \$5,000 per year over conventional approaches. Among other recommendations to substantially reduce chronic homelessness, BPC [previously recommended](#) that Congress provide resources for [25,500 new units](#) of permanent supportive housing.
- [Preserve public housing](#): About 2.2 million people in nearly 1 million low-income households live in public housing. Yet nearly half of the public housing stock was built before 1970, resulting in significant maintenance and rehabilitation needs. As previously proposed by BPC, additional funding is needed to address the capital backlog in public housing. These dollars should also lift programs like HUD's Rental Assistance Demonstration program, which brings in private capital to support revitalization and modernization efforts.

Support and Encourage HUD-HHS Collaboration

Among the most important public health findings over the last two decades has been that there are several factors, beyond medical care, that influence health and contribute to premature mortality. BPC has worked extensively to highlight the importance of one such factor—safe, affordable housing—recognizing that the integration of health and housing has the potential to improve health outcomes and reduce costs borne by the health care system.

There are many ongoing and productive partnerships between HUD and HHS at this nexus of health and housing. Generally, these collaborations help the departments break down their siloed decision-making, more fully capitalize on their respective expertise, maximize limited funding, and more efficiently and impactfully fulfill both their missions. Yet their work is far from finished. BPC has [published a list of collaborative opportunities](#) that Congress could consider encouraging the departments to pursue, particularly in integrating data and other systems to better serve those experiencing homelessness.



We thank the Committee for hosting this important hearing and stand ready to assist in advancing these and other bipartisan policies to effectively end homelessness.

Sincerely,

Dennis C. Shea
Executive Director, J. Ronald Terwilliger Center for Housing Policy
Bipartisan Policy Center

Andy Winkler
Director, Housing and Infrastructure Project
Bipartisan Policy Center

**Questions for the Record from Chairwoman Maxine Waters
Subcommittee Hearing, entitled “Housing America: Addressing Challenges in Serving
People Experiencing Homelessness”
February 2, 2022, at 10:00 am ET**

**Respondent: Adrienne Bush
Homeless and Housing Coalition of Kentucky
March 15, 2022**

Housing First

1. The Department of Housing and Urban Development (HUD) has sought to incentivize recipients of Homeless Assistance Grants to move to a housing first approach, while leaving sufficient flexibility for recipients to make exceptions in limited cases where it might be appropriate for health and safety reasons. Could you please describe the “Housing First” approach? How is the “Housing First” approach not housing only?

The Housing First approach makes housing people experiencing homelessness the first priority. Programs that implement Housing First components meet people where they are, whether it is on the street or in shelter, and recognizes that the first step in moving folks out of homelessness is securing housing, along with offering intensive wraparound services needed to attain and maintain housing stability. It acknowledges the reality that it is much more effective to address client needs once someone is housed. Appropriately-scaled, high-fidelity Housing First programs provide in-home services tailored to meet the needs of individuals and families while promoting dignity through client choice.

If Housing First programs provided housing only, they would not work, and there would not be a body of peer-reviewed research over the last twenty years supporting their effectiveness in addressing homelessness. Programs implementing high-fidelity Housing First components have never been housing only and have always implemented services to accompany housing assistance.

2. Housing First ensures that households are provided with housing assistance and services without any preconditions. This approach acknowledges that housing is a necessary platform for achieving additional successful outcomes. How does supportive services play an important role in the Housing First approach?

Housing First programs, like the one our organization operates, assess folks who walk in or we locate in our outreach. The households are then placed into the regional list for available homeless assistance vouchers based on high service need. Once we receive a referral, our staff work with the household to locate a home in the community of their choosing, and we begin offering housing-focused case management that helps the household stabilize. People transitioning into housing need intensive case management to recover from the trauma of homelessness, and programs implementing Housing First principles are able to provide that in tandem with a housing subsidy. Within the duration of program participation, case management evolves as some issues are resolved and as others may arise.

3. More and more people throughout the country are struggling to make ends meet and afford housing throughout the nation. In fact, 40% of people experiencing homelessness

are currently employed. In many communities, people have to work multiple minimum wage jobs just to be able to afford rent. As a result, many are going on strike to demand livable wages from their employers. How does the “Housing First” approach promote long-term stability for people experiencing homelessness through employment?

The primary driver of homelessness is the high cost of housing relative to household income. From our written testimony submitted for the hearing, we know that 1 in 4 Kentuckians are paying more than 30% of their income toward housing, including those who have a mortgage according to the Housing Assistance Council’s Rural Data Portal, and 6 out of 10 extremely low income renters are paying more than 50%. Homeless assistance programs pay the difference between what is affordable to households experiencing homelessness and monthly rent. The client pays 30% of their Adjusted Gross Income, and with many service sector jobs, that income may fluctuate monthly. Like mainstream housing assistance, programs using Housing First principles support employment by adjusting the household’s portion of the rent as needed. This approach recognizes that low-wage, service sector work is not enough to pay for housing and makes corrections for that market failure.

Further, as part of the array of case management offered to clients, programs implementing Housing First principles, connect folks to meaningful employment with livable wages where appropriate. For some folks who are permanently disabled, employment is not an option. But as part of tailored case management in medium term rental assistance, case management supports clients’ employment goals where there are jobs that pay living wages.

4. Re-entry into communities is difficult for those exiting the prison system due to the absence of guidance and resources. In addition to the systemic lack of support, research shows that homelessness and policies that discriminate against people with criminal records are key factors in rates of recidivism. How does the housing first model promote successful reintegration for justice involved individuals?

One of the core components of the Housing First approach is the concept of screening people “in” instead of “out.” Shelters and housing providers using Housing First do not conduct criminal background screenings upon entry. Housing providers working with private market rentals should advocate on behalf of their client if criminal background checks are implemented. Further, as part of the wraparound services provided along with the housing assistance, case managers should work with legal aid to expunge criminal records to the extent permitted by state law.

Racial Disparities

5. Nationally, over 67% of people experiencing homelessness are Black, Indigenous, and Latinx, despite representing 12%, 1%, and 16% of the total U.S. population, respectively. While the lack of affordable housing supply is the greatest barrier to ending homelessness, extensive research has shown that for people of color who experience homelessness, an even more stark reality is racism and discrimination. The Fair Housing Act of 1968 not only prohibited discrimination in housing, but it also requires affirmative action to ensure everyone in this country has equal access to housing—a provision of the law known as AFFH. Can you please tell us how HUD rules and regulations regarding AFFH inform the work of homeless service providers, what needs to be improved?

The CoCs in Kentucky are critical in the effort to Affirmatively Further Fair Housing through the

spirit of the current Interim Final Rule, primarily by funding projects that use Housing First principles. This includes not screening people out based on past involvement with the criminal justice system, which has a disproportionate impact on Black Kentuckians, and adhering to the Office of General Counsel Guidance issued in 2016, which stated that “a discriminatory effect resulting from a policy or practice that denies housing to anyone with a prior arrest or any kind of criminal conviction cannot be justified, and therefore such a practice would violate the Fair Housing Act.” Secondly, using client choice for the basis of housing search and placement allows for people to live in places of opportunity and mitigate the effects of longstanding racist housing policy, to the extent that such housing exists that meets voucher use requirements.

Homeless service providers using Housing First principles embraced HUD’s Equal Access Rule as it currently stands through contractual measures as well as funding programs that serve all types of households and people, regardless of a person’s sexual orientation, gender identity, or marital status. One example of this is the expansion of ESG-CV RRH projects with the requirement to serve all household types.

It should be noted that the CoC resources alone cannot possibly end discrimination in the larger housing market, but CoCs and homeless service providers should be leading the way in implementing anti-discriminatory shelter and housing options while advocating for systemic changes at the federal, state, and local levels of government.

6. What trends do you see in workforce diversity of homeless service providers and what can Congress do to help improve the provision of culturally competent services to people experiencing homelessness?

Many direct service providers are nonprofit organizations, which has trended more White and female than the general population. Homeless service providers should examine their workforce to ensure they are hiring with racial equity front of mind. One way to help achieve a racially diverse staff is to provide job announcements that do not screen out applicants with unrealistic education requirements for low pay. Job announcements should have transparent salary ranges, and organizational leadership should intentionally recruit potential staff and board from communities of color. It also is important for organizations to implement anti-racist practices, and be intentional about ensuring the dominant culture of the organization is truly inclusive, which involves examining implicit bias and policies and procedures. Since our organization committed to anti-racist practices and implemented the processes above, we have increased the percentage of staff who identify as Black from 0% to 20% in two years. We believe representation matters, and a foundation for providing culturally competent services means our staff reflect our community.

7. A few years ago, when the national data showed that veterans were disproportionately experiencing homelessness, our federal government took proactive measures to address it. Since then, we have seen a significant decrease in the number of veterans who are experiencing homelessness today. Similarly, we know that despite making up 29% of the total U.S. population, Black, Indigenous, and Latinx people represent over 67% of people experiencing homelessness today. Based on your experience, are there any successful racial equity strategies in the homelessness space and what are they?

I would submit that the best racial equity strategy homeless service providers can implement is upstream, through ensuring housing stability among extremely low-income renters. The Census Household Pulse survey over the past two years has consistently illustrated that female heads of

households and Black and Brown Americans have accrued disproportionately higher rental arrears during the pandemic. Research from Princeton University's EvictionLab has indicated that evictions, which result in homelessness and housing insecurity, disproportionately affect heads of households who are women and who are people of color. In order to stem the flow of Black, Indigenous, and Latinx folks into the homeless service response, homeless service providers have to work to disrupt the eviction process. When people of color do enter the homeless response system, providers must examine their data and the processes to ensure that they are not making the problem worse through implicit bias and exiting folks of color at higher rates than their White counterparts.

8. While the Build Back Better Act provides over \$150 billion to increase the supply of housing, make rent more affordable through Housing Choice Vouchers, and to combat housing discrimination through increased fair housing funds, what more can Congress do to proactively address worsening racial disparities in housing and homelessness?

We need federal action on source of income (voucher) protections. Left up to states and cities to enact protections, we will continue to have a patchwork system of laws and ordinances that leave too many Americans unprotected and which severely diminish the intent and promise of housing assistance as a critical part of the safety net.

Capacity Limitations

9. Despite existing federal homeless resources, service providers continuously face barriers when addressing homelessness in their communities. For example, in rural communities, service providers have found it difficult in identifying people experiencing homelessness and often cover large service areas with few staff. Could you describe the unique hurdles rural service providers face in identifying and serving people experiencing homelessness?

In rural Kentucky, homeless service providers are few and far between in the 118 counties in our Balance of State. This makes it difficult to create a true homeless response system where people can quickly access shelter and obtain housing to end their homelessness. As has been expressed, literal homelessness is less visible than in cities, but it still exists. Housing insecurity is often observed through couchsurfing with friends and family. The main challenge in outreach to people experiencing homelessness is capacity to operate well-designed programs within comprehensive systems.

10. A study was conducted to better comprehend homelessness in rural areas. According to their findings, service providers frequently report having limited access to community resources and lack the ability to support those experiencing homelessness become stably housed. This is why the Build Back Better Act provides more than \$2 billion in housing funding directed to rural communities. What are some of the challenges rural service providers face in the delivery of services to those experiencing homelessness?

While there are more commonalities than differences among the homeless population in cities versus rural areas, one key difference is in the funding of rural areas. Cities and larger local governments are able to supplement federal funding in ways that rural communities do not have the tax base to do. This results in large inequities in funding and capacity for the rural programs that do exist. One way to address this is to reform the match requirement in ESG funding. Rental markets are also tight in rural communities, which is why addressing the overall housing shortage

through BBB is critical.

Health Care

11. Though states have expanded Medicaid and Medicare to include those experiencing homelessness, a study has shown 60% of the homeless population are not enrolled. People experiencing homelessness frequently seek emergency rooms for medical treatment accruing medical debt and are less than likely to connect to a primary care physician. Could you explain some of the obstacles people experiencing homelessness experience when applying for Medicaid and Medicare? How can the healthcare and homeless systems collaborate to guarantee that people experiencing homelessness have access to healthcare while simultaneously reducing hospital visits?

In Kentucky, Medicaid eligibility is determined through the Cabinet for Health and Family Services/Department for Community Based Services, which has experienced unprecedented staffing challenges during the pandemic after years of labor attrition due to state budget cuts. All of this is to say that people are having difficulty accessing local offices or the statewide call line with extremely long wait times to even apply for mainstream benefits such as Medicaid. As a workaround, people are encouraged to use the state website to apply online, but a significant number of people experiencing homelessness do not have reliable access to computer, wifi, or even the ability to verify their identity using third party applications such as Experian.

In Kentucky, we are attempting to make strides to meet people where they are through the development of medical respite programs in conjunction with HHS-funded Health Care for the Homeless Federally Qualified Health Centers. We also are working on making Community Health Worker services at housing organizations billable to Medicaid.

At the federal level, Medicaid should re-affirm the value of presumptive eligibility to states, which has been helpful for people experiencing homelessness to obtain Medicaid coverage, as some state legislatures, including Kentucky's, have tried to attack access. Further, as 19 states have pending/approved waivers submitted to the Centers for Medicare and Medicaid regarding housing stability, this is something that we believe CMS and HUD should continue to work on and refine, in order to foster deeper collaboration between health care and homeless systems.

12. Are there some systems models of housing and services (especially health and behavioral health care) integration that have worked to reduce homelessness at a significant scale? Are there things we should be doing to try to link these two silos, like iterations of the HUD-VASH program?

In Louisville, having the HUD Common Assessment team for permanent supportive housing referrals located at the Federally Qualified Health Center/Health Care for the Homeless clinic has been beneficial in increasing the number of folks served. We also have been able to increase rural coverage of homeless assistance by funding Community Mental Health Centers providing housing. Providing a set-aside for either vouchers or project-based assistance, such as HUD-VASH, directly to behavioral health providers for people with Severe Mental Illness could be worth exploring as a targeted, scaled-up solution for people identified as high need in both hospital data and the Homeless Management Information System.

13. Required documents to enroll in Medicaid and Medicare, as well as the ability to submit documentation electronically, are required for access to health care. Most people experiencing homelessness often do not have access to computers and the process to apply for health care insurance can be complicated. Often, people experiencing homelessness are constantly moving from place to place and do not have a secure place to store vital documents causing them to lose documents. Could you describe the challenges that service providers face when assisting persons who are experiencing homelessness in applying for health care and navigating the system?

As discussed in Q11, in Kentucky, Medicaid eligibility is determined through the Cabinet for Health and Family Services/Department for Community Based Services, which has experienced unprecedented staffing challenges during the pandemic after years of labor attrition due to state budget cuts. All of this is to say that people are having difficulty accessing local offices or the statewide call line with extremely long wait times to even apply for mainstream benefits such as Medicaid. As a workaround, people are encouraged to use the state website to apply online, but a significant number of people experiencing homelessness do not have reliable access to computer, wifi, or even the ability to verify their identity using third party applications such as Experian.

We offer our office as a mailing address for unhoused folks so that they can receive requests for information through the mail, but that is challenging in terms of getting multiple notices quickly to people who are not yet sheltered or housed. This is part of why we implement Housing First principles – access to critical health coverage through Medicaid or Medicare is all much easier to manage when someone is housed.

Coronavirus Pandemic

14. In response to the public health crisis, the Department of Housing and Urban Development (HUD) released a list of waiver flexibilities in June of 2020 to programs such as the Continuum of Care (CoCs), and Emergency Solutions Grants (ESG), to help alleviate the burdens experienced by CoCs and homeless services providers have been experiencing during the coronavirus pandemic. Could you describe the flexibilities HUD implemented to help alleviate the burdens? What flexibilities do you believe should be implemented going forward and why?

The HUD waivers issued in response to the pandemic and its attendant economic effects have been critical in implementing rental assistance despite challenging housing markets. Some of the most helpful provisions in the waivers issued over the last two years included:

- The ability for grantees to use local needs to fund different types of eligible activities without artificial caps on shelter and outreach activities;
- Lifting the restriction of rental assistance to units with rent at or below Fair Market Rent (FMR);
- The ability to perform initial Housing Quality Standards (HQS) inspections using video technology.
- Waiving the 1:1 local match requirement for ESG-CV projects.

We recommend that HUD continue to:

1. Waive FMR requirements in response to local housing conditions.

While we understand the intent of FMR to ensure that landlords do not price gouge the federal government and its partners, rents are outpacing traditional FMR limits. HUD can achieve this intent by keeping in place the rent reasonableness requirement. Prior to the waiver, it was becoming increasingly difficult to locate units that would meet both FMR and pass HQS inspections. The FMR requirement also severely limits the ability of clients to live in homes and communities of their choice and has the consequence of concentrating poverty, which runs counter to important policy goals of voucher-based housing assistance.

2. Implement flexibility in HQS inspections to quickly implement rental assistance

In the process of moving people from homelessness into a home, we need to streamline the timeline between locating a home to rent and the inspection process. If there is a significant delay, the voucher holder may lose out because the landlord moves onto another tenant who does not require a third party inspection. To the extent possible while ensuring that housing quality is met, HUD should continue to utilize flexibilities such as re-implementing owner certification and virtual inspections to speed up the process.

3. Increase allowable administrative cost allocation to approach full funding of agencies, like allowing HOME Investment Partnerships to use up to 25% for administration, instead of the traditional 7.5% in the CoC and ESG programs.

These caps are unrealistic for the amount of staff and labor required to successfully administer federal funding. The artificially low admin caps do not cover the full cost of operating CoC or ESG funding, and therefore create additional administrative work on the part of the agency to subsidize the federal program.

4. Reform the match requirement for ESG grants moving forward.

It is financially difficult for housing providers using ESG for rapid re-housing rental assistance to match rents and utilities dollar-for-dollar. If the match requirement for ESG-CV had not been waived, my organization would have been unable to administer these projects and people in rural parts of Kentucky would not have been served. Moving forward, HUD should consider either waiving the match requirement altogether or aligning it with CoC match requirements, which only require 25% for non-rent expenditures.

Thank you for the Financial Services Committee's steadfast attention to the housing and homelessness crisis, as well as the opportunity to supplement our written and oral testimony provided to the Subcommittee in February.

Respectfully submitted by:

Adrienne S. Bush
Executive Director
Homeless and Housing Coalition of Kentucky

**Questions for the Record from Chairwoman Maxine Waters
Subcommittee Hearing, entitled “Housing America: Addressing Challenges in Serving
People Experiencing Homelessness”
February 2, 2022, at 10:00 am ET**

Housing First

1. The Department of Housing and Urban Development (HUD) has sought to incentivize recipients of Homeless Assistance Grants to move to a housing first approach, while leaving sufficient flexibility for recipients to make exceptions in limited cases where it might be appropriate for health and safety reasons. **Could you please describe the “Housing First” approach? How is the “Housing First” approach not housing only?**

Housing First is an evidence-based approach that recognizes that housing, and the security and stability it offers, is necessary to address any other underlying medical, mental health, or addiction issues someone may be facing.

Living unsheltered or in a temporary shelter is already traumatic, and has been shown to trigger or exacerbate medical, substance use, and mental health challenges—it is the stability of housing that provides a base on which a person can manage doctor’s appointments, documentation, and caring for themselves in a healthy way.

Housing improves health, dignity, and outcomes for the same reasons that homelessness is deleterious. A clean, dry, secure environment is fundamental to personal hygiene (including wound care and dressing changes), medication storage (refrigeration of insulin, safe storage of needles), and protection from assault and the elements. Private space allows for the establishment of stable personal relationships. A stable residence facilitates effective interaction with others, including treatment providers and social support systems that can be paired with the connection to housing, and increases adherence to treatment plans including regular meals and keeping appointments. Housing reduces anxiety, scarcity mentality, and toxic stress, allowing a person to develop their own sense of dignity, autonomy, and direction for how they want their life to be. In these ways, housing both promotes healing and prevents the onset of new issues.

Housing First addresses the greatest need and most impactful need first - safety and stability - which then facilitates successful use of services.

2. Housing First ensures that households are provided with housing assistance and services without any preconditions. This approach acknowledges that housing is a necessary platform for achieving additional successful outcomes. **How does supportive services play an important role in the Housing First approach?**

For most people experiencing homelessness, a home is all they need to stabilize and exit the system. Supportive services should be offered as part of every Housing First program, asking the person, “what do you need?”, and providing support with navigating the sometimes byzantine social service systems. These trauma-informed supportive services—offered by teams that include housing specialists, social workers, behavioral health clinicians, nurses, psychiatrists, employment navigators, and peer coaches—are voluntary and based on evidence-based models. Offering agency, choice, and self-direction increases the likelihood of successful outcomes, provides clear steps towards self-sufficiency, and is a more efficient use of resources because it

targets services to what people need and want rather than requiring participation in a long list of forced prerequisites.

It is noteworthy that the communities that have ended veterans homelessness have all used a Housing First approach.

When more supports are needed, Permanent Supportive Housing (PSH), with voluntary wrap-around services, has a proven track record. PSH residents report an increased sense of autonomy and self-sufficiency, increased use of supportive services, including job training, attending school, discontinuing substance use, and fewer hospitalizations. A randomized study¹ published in the October 2020 Health Services Research looked at chronically homeless individuals who were high users of government services, and found that 86% of those enrolled in PSH found and kept housing, compared to only 36% of the control group. In another study², where some participants were given an apartment and access to services under their control, led to 79% still in stable housing after 6 months, compared to 27% of the control group.

Multiple studies in cities and states across the nation show that Housing First is a more efficient allocation of resources, reducing the costs of policing, jails, emergency medical care, behavioral health care, and emergency shelter³. In a 2020 study of Denver, Housing First saved \$6,876 per person per year⁴.

3. More and more people throughout the country are struggling to make ends meet and afford housing throughout the nation. In fact, 40% of people experiencing homelessness are currently employed. In many communities, people have to work multiple minimum wage jobs just to be able to afford rent. As a result, many are going on strike to demand livable wages from their employers. **How does the “Housing First” approach promote long-term stability for people experiencing homelessness through employment?**

Access to education, job training, support writing resumes and interview practice, and employment navigation support can be part of the package of voluntary services offered with a Housing First model. Again, the stability of housing is what provides the foundation on which to build a successful path to employment and self-sufficiency.

The solution to homelessness is housing. The reason people experience homelessness is because they can not find housing that they can afford. While there are other factors that can lead to homelessness, or can contribute to making it harder for people to exit homelessness, we know that the primary need for people experiencing homelessness is a home. The Housing First approach addresses the most pressing need for this population, which then gives them the capacity to address any other issues. We know it is effective in the long-term, with studies showing that after five years 88% of the The Pathways to Housing program in New York City were still housed, while compared to 47% of those in the control group.⁵

4. Re-entry into communities is difficult for those exiting the prison system due to the

¹ <https://onlinelibrary.wiley.com/doi/full/10.1111/1475-6773.13553>

²

https://www.researchgate.net/publication/8936976_Consumer_Preference_Programs_for_Individuals_Who_Are_Homeless_and_Have_Psychiatric_Disabilities_A_Drop-In_Center_and_a_Supported_Housing_Program

³ <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC4679128/>

⁴ <https://www.urban.org/features/housing-first-breaks-homelessness-jail-cycle>

⁵ <https://ps.psychiatryonline.org/doi/full/10.1176/appi.ps.51.4.487>

absence of guidance and resources. In addition to the systemic lack of support, research shows that homelessness and policies that discriminate against people with criminal records are key factors in rates of recidivism. **How does the housing first model promote successful reintegration for justice involved individuals?**

Having a place to call home when exiting the prison system is essential to reducing recidivism and helping reintegrate people back into society. Barriers to housing, such as asking for felony status on rental applications, further marginalizes and excludes people at an inflection moment when the community should be working to integrate them back into society.

There is a jail-homelessness cycle that is both expensive and harmful to community. Formerly incarcerated people are almost ten times more likely to enter homelessness than the general public. People who have been to prison are seven times higher than the general population to experience homelessness, and people who have been incarcerated more than once experience homelessness at a rate of thirteen times the general population⁶. Formerly incarcerated people who experience homelessness have an increased chance of being incarcerated again, in part due to the criminalization of homelessness.⁷ However, a five-year evaluation by the Urban Institute and the University of Colorado at Denver, released in 2020, found that Housing First, including voluntary social services, breaks the homelessness-jail cycle and is a more efficient use of resources, saving \$6,876 per person per year⁸.

Housing First, with associated services like access to education and employment support, gives people who have paid their debt to society a real opportunity to rebuild their lives.

Racial Disparities

5. Nationally, over 67% of people experiencing homelessness are Black, Indigenous, and Latinx, despite representing 12%, 1%, and 16% of the total U.S. population, respectively. While the lack of affordable housing supply is the greatest barrier to ending homelessness, extensive research has shown that for people of color who experience homelessness, an even more stark reality is racism and discrimination. The Fair Housing Act of 1968 not only prohibited discrimination in housing, but it also requires affirmative action to ensure everyone in this country has equal access to housing—a provision of the law known as AFFH. **Can you please tell us how HUD rules and regulations regarding AFFH inform the work of homeless service providers, what needs to be improved?**

HUD's responsibility to implement AFFH was recently reinstated in 2021 after being suspended in 2018, and HUD funding recipients must annually certify compliance. KCRHA believes that other respondents are better qualified to answer this question.

⁶ <https://www.prisonpolicy.org/reports/housing.html>

⁷ http://milliondollarhoods.org/wp-content/uploads/2017/10/Policing-the-House-2.0.FINAL_.pdf

⁸ <https://www.urban.org/features/housing-first-breaks-homelessness-jail-cycle>

6. What trends do you see in workforce diversity of homeless service providers and what can Congress do to help improve the provision of culturally competent services to people experiencing homelessness?

The social service workforce is majority female, majority women of color, and does include many service providers with a “by us for us” model of serving particular demographics with culturally competent services. Our provider’s biggest hurdle to culturally representative staffing is pay. Staffing shortages limit the ability to provide any service, including culturally competent services, and low-wages make it harder to recruit from communities of color that are already struggling with economic inequities. Greater federal investment in social service workforce stabilization as a whole and in community development for historically marginalized communities would improve our ability to provide culturally competent services.

7. A few years ago, when the national data showed that veterans were disproportionately experiencing homelessness, our federal government took proactive measures to address it. Since then, we have seen a significant decrease in the number of veterans who are experiencing homelessness today. Similarly, we know that despite making up 29% of the total U.S. population, Black, Indigenous, and Latinx people represent over 67% of people experiencing homelessness today. **Based on your experience, are there any successful racial equity strategies in the homelessness space and what are they?**

The King County Regional Homelessness Authority was founded with racial inequities explicitly named and centered in our work, building on the 2018 Supporting Partnerships for Anti-Racist Communities report, co-authored by our CEO Marc Dones and current USICH Director Jeff Oliver⁹. The report made several recommendations, including development of affordable housing stock with broader use of inclusionary zoning, stronger eviction regulations and tenants rights, criminal justice reforms that reduce barriers to housing and employment, pooling resources across communities so that education and other opportunities are not tied to property values, reforming the foster care and child welfare systems, enacting immigration policies that allow Latinx connection with services, creating positions explicitly focused on racial equity within government and homeless service organizations.

At KCRHA, we have worked to hire a staff that is representative of the population we are serving, and our senior staff includes a Director of Equity and Justice. We use an equity-based decision-making framework based in part on the Racial Equity Toolkit from the Government Alliance on Race and Equity¹⁰, and we are explicit about our focus on races and ethnicities disproportionately impacted by the homeless system and other social systems.

It’s also important to note that the effort to reduce veterans’ homelessness is successfully using a Housing First approach. Such an approach will, we believe, lead to a decrease in Black, Indigenous, and Latinx homelessness.

8. While the Build Back Better Act provides over \$150 billion to increase the supply of housing, make rent more affordable through Housing Choice Vouchers, and to combat housing discrimination through increased fair housing funds, **what more can Congress do to proactively address worsening racial disparities in housing and homelessness?**

⁹ <https://c4innovates.com/our-expertise/equity/sparc/>

¹⁰ https://www.racialequityalliance.org/wp-content/uploads/2015/10/GARE-Racial_Equity_Toolkit.pdf

We are deeply grateful for the work that Congress has done towards more racially equitable outcomes, and encourage legislators to consider the intersections between housing, health, immigration, child welfare, and criminal justice during policy development and review.

As noted above, policies that encourage investment in communities of color, workforce stabilization and living wages, development of affordable housing stock with broader use of inclusionary zoning, stronger eviction regulations and tenants rights, criminal justice reforms that reduce barriers to housing and employment, pooling resources across communities so that education and other opportunities are not dependent on neighborhood property values, reforming the foster care and child welfare systems, will all have an impact on racial disparities in housing and homelessness.

Capacity Limitations

9. Despite existing federal homeless resources, service providers continuously face barriers when addressing homelessness in their communities. For example, in rural communities, service providers have found it difficult in identifying people experiencing homelessness and often cover large service areas with few staff. **Could you describe the unique hurdles rural service providers face in identifying and serving people experiencing homelessness?**

Rural and unincorporated communities are underserved and lack the infrastructure and resources to fully respond to homelessness. Rural homelessness is less concentrated, and the nature of a rural environment gives people experiencing homelessness more discreet locations to live, which makes finding and identifying the population more difficult. Rural and unincorporated areas have less access to resources, including funding for shelters, health care, service providers and workforce.

10. A study was conducted to better comprehend homelessness in rural areas. According to their findings, service providers frequently report having limited access to community resources and lack the ability to support those experiencing homelessness become stably housed. This is why the Build Back Better Act provides more than \$2 billion in housing funding directed to rural communities. **What are some of the challenges rural service providers face in the delivery of services to those experiencing homelessness?**

Workforce stability continues to be a challenge for all providers, and in more dispersed areas like our rural communities, short staffing and a lack of a reliable pipeline for new staff makes service delivery more difficult. As noted above, rural areas also have less access to resources, and less infrastructure. For example, a rural part of King County covering 400 square miles with a population of over 14,000 has just one shelter, and that shelter is limited to 15 single adults.

Health Care

11. Though states have expanded Medicaid and Medicare to include those experiencing homelessness, a study has shown 60% of the homeless population are not enrolled. People experiencing homelessness frequently seek emergency rooms for medical treatment accruing medical debt and are less than likely to connect to a primary care physician. **Could you explain some of the obstacles people experiencing homelessness experience when applying for Medicaid and Medicare? How can**

the healthcare and homeless systems collaborate to guarantee that people experiencing homelessness have access to healthcare while simultaneously reducing hospital visits?

Nationwide averages of Medicaid enrollment mask considerable variation among states, with this variability further and markedly impacted by a state's participation in Medicaid expansion. To further confound things, there is also variability of Medicaid enrollment criteria on a state-based level, even among those who are participating in the expansion. So, on a national level, there is no static starting point to compare enrollment eligibility and engagement; which means asserting that only 60% of a population is enrolled is a bit of an oversimplification.

Obstacles to Medicaid enrollment are myriad, including limited literacy, language barriers, limited access to the internet, lack of acceptable identification and/or income verification documentation, lack of stable address at which to receive any necessary paperwork, lack of familiarity with complicated language/ jargon frequently associated with insurance policies, complications with auto-reenrollment, and complications with enrollment systems recognizing when individuals enter and exit incarceration. Outreach and enrollment workers who are able to go into the field and directly assist people with enrollment has been shown to be a viable solution to overcoming many of these barriers.

Navigating the health care system is difficult, regardless of whether a person is homeless or housed. Outreach and enrollment workers, along with peer navigators, are vital in providing support and assistance in traversing the complicated landscape from enrollment to accessing health care. Use of emergency rooms as a primary source of care often stems from a patient's lack of knowledge on how to access and use health coverage, or how to establish a relationship with a primary care network. In addition, there are few primary care systems that can provide trauma-informed, non-judgmental care environments to marginalized patients. Medical clinics dedicated to serving homeless patients, whose daily lives are often chaotic and not suited to traditional appointment-based models of care, are key to improving access to and regular use of outpatient health care. Successful models of care for this population are often walk-in based without penalties for missed or late appointments and have minimal to no upfront costs for care. Availability of ongoing wrap-around services including transportation, assistance with paperwork, social work, integrated mental health and substance use disorder care are also important, because the expectation to attend multiple appointments at multiple locations is unrealistic.

12. Are there some systems models of housing and services (especially health and behavioral health care) integration that have worked to reduce homelessness at a significant scale? Are there things we should be doing to try to link these two silos, like iterations of the HUD-VASH program?

As outlined in questions 1 and 2, the Housing First model has been well studied and is accepted by the USICH as the most effective approach to ending chronic homelessness. Housing First programs result in faster exits from homelessness and longer periods of residential stability compared with traditional models of housing provision. HUD-VASH is an example of permanent supportive housing (PSH), a model within the Housing First framework. PSH combines low-barrier affordable housing with health care and supportive services, effectively removing the siloing between these vital resources for chronically homeless

individuals and families with physical and mental health issues as well as substance use disorders. The provision of integrated and onsite medical and behavioral health care in PSH buildings has been shown to be associated with self-reported improved health and life satisfaction in formerly homeless tenants. One study examining the use of integrated health care and supportive housing to address systematic barriers for people experiencing homelessness states “housing is the most powerful prescription a physician could write for a homeless person.” Increasing PSH programs is strongly recommended as one pathway to ending homelessness and vastly improving the health and wellbeing of our homeless neighbors.

Parsell Cameron, ten Have Charlotte, Denton Michelle, Walter Zoe (2017) Self-management of health care: multimethod study of using integrated health care and supportive housing to address systematic barriers for people experiencing homelessness. *Australian Health Review* 42, 303-308.

13. Required documents to enroll in Medicaid and Medicare, as well as the ability to submit documentation electronically, are required for access to health care. Most people experiencing homelessness often do not have access to computers and the process to apply for health care insurance can be complicated. Often, people experiencing homelessness are constantly moving from place to place and do not have a secure place to store vital documents causing them to lose documents. **Could you describe the challenges that service providers face when assisting persons who are experiencing homelessness in applying for health care and navigating the system?**

The challenges the service providers face in health care navigation mirror the challenges that people experiencing homelessness face as detailed above. Workforce stabilization and staffing, especially the ability to hire peer navigators or specialized health care navigators is also a challenge.

Coronavirus Pandemic

14. In response to the public health crisis, the Department of Housing and Urban Development (HUD) released a list of waiver flexibilities in June of 2020 to programs such as the Continuum of Care (CoCs), and Emergency Solutions Grants (ESG), to help alleviate the burdens experienced by CoCs and homeless services providers have been experiencing during the coronavirus pandemic. **Could you describe the flexibilities HUD implemented to help alleviate the burdens? What flexibilities do you believe should be implemented going forward and why?**

Waivers and ESG grants, provided vital funds and operations flexibility to keep shelters and service providers operating as they worked to meet the additional requirements of COVID safety protocols, including de-intensifying shelters to non-congregate models, providing space for isolation and quarantine, hazard pay for staff, and upgrades to cleaning and air filtration. Despite the extra support of flexible funds, there were still many shelters that had to close during COVID. Considering that the human services sector and particularly the homeless response sector has been systematically underfunded since the 1980's, it is reasonable to assume that the service providers that continued to operate were (are) reliant on those federal funds and flexibilities. With gratitude to our federal partners, the fewer strings and more flexibility, the better for service delivery.

KCRHA apologizes for not providing a more thorough answer with quotes and specific examples from service providers, but we are currently still in start-up with limited staff capacity, having only begun operations in mid-2021.

**Questions for the Record from Chairwoman Maxine Waters
Subcommittee Hearing, entitled “Housing America: Addressing Challenges in Serving
People Experiencing Homelessness”
February 2, 2022, at 10:00 am ET**

Responses from Ann Oliva

Housing First

- 1. The Department of Housing and Urban Development (HUD) has sought to incentivize recipients of Homeless Assistance Grants to move to a housing first approach, while leaving sufficient flexibility for recipients to make exceptions in limited cases where it might be appropriate for health and safety reasons. Could you please describe the “Housing First” approach? How is the “Housing First” approach not housing only?**

Housing First is an evidence-based approach to ending homelessness for individuals and families that prioritizes safe, permanent affordable housing as the foundation for healing and pursuing life goals. By providing rental assistance, Housing First directly addresses the primary driver of homelessness — the lack of affordable housing. There is a large and growing evidence base demonstrating that Housing First is an effective solution to homelessness.

Voluntary supportive services are also a critical part of Housing First. Under a Housing First approach, participation in services and other prerequisites are not required to access housing. Supportive services are offered to support people with housing stability and individual well-being, but participation is not required as services have been found to be more effective when a person chooses to engage.

Housing First recognizes that housing is a basic human need and people should not have to prove they deserve a place to live. This is also rooted in behavioral science/theories that people are more successful at achieving goals or making changes when they are self-motivated to do so as opposed to having goals imposed upon them. Centering choice is more than a value — it is essential to success.

- 2. Housing First ensures that households are provided with housing assistance and services without any preconditions. This approach acknowledges that housing is a necessary platform for achieving additional successful outcomes. How do supportive services play an important role in the Housing First approach?**

Voluntary supportive services are a critical part of Housing First. Under a Housing First approach, participation in services and other prerequisites are not required to access housing. Supportive services are offered to support people with housing stability and individual well-being, but participation is not required as services have been found to be more effective when a person chooses to engage.

- 3. More and more people throughout the country are struggling to make ends meet and afford housing throughout the nation. In fact, 40% of people experiencing homelessness are currently employed. In many communities, people have to work multiple minimum wage jobs just to be able to afford rent. As a result, many are**

going on strike to demand livable wages from their employers. How does the “Housing First” approach promote long-term stability for people experiencing homelessness through employment?

Income and homelessness are absolutely connected because income affects whether housing is affordable. The National Low Income Housing Coalition estimates that in over 90 percent of U.S. counties, full-time minimum wage workers cannot afford a one-bedroom rental unit without rental aid.

Not all unhoused adults are disabled, and many people with disabilities can and do work. But people are better positioned to secure and maintain employment when they have stable housing. Many people experiencing homelessness already work, but low wages and inconsistent hours still don’t provide enough income for them to afford housing. The housing stability and services offered through a Housing First approach can provide the opportunity for a person experiencing homelessness to heal from trauma and physical or behavioral health conditions and re-enter the workforce.

4. **Re-entry into communities is difficult for those exiting the prison system due to the absence of guidance and resources. In addition to the systemic lack of support, research shows that homelessness and policies that discriminate against people with criminal records are key factors in rates of recidivism. How does the housing first model promote successful reintegration for justice involved individuals?**

[More than 50,000](#) people entered homeless shelters directly from jail or prison in 2017, the Department of Housing and Urban Development (HUD) estimates, and another untold number became unsheltered following incarceration. Homelessness makes it difficult to avoid reincarceration, including by making it harder to comply with court mandates. People experiencing homelessness often lack access to reliable mailing addresses, a phone, or a computer to stay in contact with probation or court officials, increasing their likelihood of missing hearings or court-ordered substance use treatment sessions and of being issued arrest warrants. Homelessness is [especially high](#) among people incarcerated more than once.

For most people, rental assistance and short-term support in navigating the rental market is enough to provide long-term housing stability. However, some people with criminal records or returning from incarceration will need [supportive housing](#), an evidence-based solution that pairs rental assistance with supportive services such as intensive case management, ongoing housing navigation, and physical and behavioral health services for those who want them. In addition to providing stable housing, supportive housing can improve access to appropriate health care, reduce use of costly systems like emergency health services, and [reduce reincarceration](#). This is critical as people who are incarcerated have higher rates of [mental illness](#), substance use disorders, and [chronic physical health conditions](#). But they often [go without](#) needed health care while incarcerated and return home [without adequate access](#) to medications or other health care services.

Vouchers are particularly well-suited for increasing access to supportive housing.

Vouchers can be tenant-based, letting people choose a unit on the private market, or project-based, meaning the rental assistance is attached to specific units. If vouchers were readily available, this flexibility would help communities create a variety of housing options — including supportive housing — so that people returning from jail or prison can choose housing that meets their needs.

A Housing First approach can help reduce the number of people who become homeless after re-entry, and address the unmet needs of people with histories of incarceration who already experience homelessness because it prioritizes housing and services to address their needs.

Racial Disparities

5. **Nationally, over 67% of people experiencing homelessness are Black, Indigenous, and Latinx, despite representing 12%, 1%, and 16% of the total U.S. population, respectively. While the lack of affordable housing supply is the greatest barrier to ending homelessness, extensive research has shown that for people of color who experience homelessness, an even more stark reality is racism and discrimination. The Fair Housing Act of 1968 not only prohibited discrimination in housing, but it also requires affirmative action to ensure everyone in this country has equal access to housing—a provision of the law known as AFFH. Can you please tell us how HUD rules and regulations regarding AFFH inform the work of homeless service providers, what needs to be improved?**

Housing segregation, at its core, allows policymakers to purposefully disinvest in communities of color and direct investment to white neighborhoods. The Fair Housing Act's Affirmatively Furthering Fair Housing (AFFH) requirement recognizes that government at all levels should be actively working to create communities that are open to all. The 2015 AFFH regulations were designed to ensure that housing agencies and communities receiving Department of Housing and Urban Development (HUD) funding – including homelessness services providers - fulfill their obligations under the 1968 Fair Housing Act. That law requires them to identify barriers to housing access for certain specified groups and take affirmative steps toward ending housing discrimination and reversing damage from many decades of residential segregation and racist housing policies.

6. **What trends do you see in workforce diversity of homeless service providers and what can Congress do to help improve the provision of culturally competent services to people experiencing homelessness?**

Homelessness services providers and Continuums of Care should continue to prioritize partnering with an employing – including in key leadership positions – people with lived expertise of homelessness and the systems that relate to homelessness. This shift in power can promote racial and gender equity within homeless assistance systems and better inform policy and program design to meet the needs of people experiencing homelessness and housing instability. Examples of policy and program design recommendations can be found in the written testimony submitted for the record for two hearings:

<https://www.cbpp.org/research/housing/ending-homelessness-addressing-local-challenges-in-housing-the-most-vulnerable> and <https://www.cbpp.org/research/housing/why-expanding-housing-choice-vouchers-is-essential-to-ending-homelessness>.

7. **A few years ago, when the national data showed that veterans were disproportionately experiencing homelessness, our federal government took proactive measures to address it. Since then, we have seen a significant decrease in the number of veterans who are experiencing homelessness today. Similarly, we know that despite making up 29% of the total U.S. population, Black, Indigenous, and Latinx people represent over 67% of people experiencing homelessness today. Based on your experience, are there any successful racial equity strategies in the homelessness space and what are they?**

Continuums of Care and homelessness services providers are taking steps to understand the inequities within homelessness assistance systems for historically marginalized populations by disaggregating their data and partnering with people with lived expertise of homelessness and housing instability in the design and implementation of policies and practices to make these systems more equitable. Some examples of work in this area include:

- LAHSA's Ad-Hoc Committee on Black People Experiencing Homelessness: <https://www.lahsa.org/documents?id=2823-report-and-recommendations-of-the-ad-hoc-committee-on-black-people-experiencing-homelessness>
- San Diego's Ad Hoc Committee on Addressing Homelessness Among Black San Diegans: <https://www.rtffhsd.org/about-coc/ad-hoc-committees/>
- King County Regional Homelessness Authority is partnering with the Lived Experience Coalition to reduce homelessness in downtown Seattle through the Partnership for Zero: <https://kcrha.org/2022/02/22/partnership-for-zero/>.

8. **While the Build Back Better Act provides over \$150 billion to increase the supply of housing, make rent more affordable through Housing Choice Vouchers, and to combat housing discrimination through increased fair housing funds, what more can Congress do to proactively address worsening racial disparities in housing and homelessness?**

Homeless assistance systems alone cannot end homelessness. In some areas of the country, they are rehousing more households than ever before, even as homelessness continues to increase. The problem requires a comprehensive approach that addresses the large numbers of households that cannot afford rents in their communities because their incomes are too low to afford reasonably priced housing, there is insufficient supply of reasonably priced housing, or both. The approach must also address access to services for people who need and want them.

The single most effective step in addressing the nation's homelessness crisis is to provide a Housing Choice Voucher for every eligible household. Vouchers effectively fill in the gap between what rent and utilities cost in a community and how much a household can afford to pay, ensuring that those with very low incomes can afford

housing in their communities. This step would fundamentally alter the landscape for people experiencing homelessness, institutionalization, and housing instability, ultimately preventing many stints of homelessness because households with low incomes would be able to afford housing and, thus, would be less likely to fall behind on rent and face eviction. It would lift millions of children out of poverty and improve educational outcomes, help seniors and people with disabilities, and provide youth and young adults with a brighter path to adulthood.

Capacity Limitations

9. **Despite existing federal homeless resources, service providers continuously face barriers when addressing homelessness in their communities. For example, in rural communities, service providers have found it difficult in identifying people experiencing homelessness and often cover large service areas with few staff. Could you describe the unique hurdles rural service providers face in identifying and serving people experiencing homelessness?**
10. **A study was conducted to better comprehend homelessness in rural areas. According to their findings, service providers frequently report having limited access to community resources and lack the ability to support those experiencing homelessness become stably housed. This is why the Build Back Better Act provides more than \$2 billion in housing funding directed to rural communities. What are some of the challenges rural service providers face in the delivery of services to those experiencing homelessness?**

Response for 9 and 10

Rural homelessness service providers face a number of challenges in serving people experiencing homelessness and housing instability. Challenges may include lack of affordable housing stock and substandard housing stock, transportation challenges for staff and for clients, lack of supportive services and the capacity of rural providers to meet the requirements for operating funds through large federal programs. The Housing Assistance Council and the National Alliance to End Homelessness released a joint document outlining these challenges and proposed solutions (<https://ruralhome.org/wp-content/uploads/2021/05/rvmarch2016-9.pdf#page=6>).

Housing Choice Vouchers and targeted affordable housing development funding together would lessen hardship and housing instability in rural areas. The vouchers in the House-passed Build Back Better would help nearly 700,000 people in over 300,000 households — including about 274,000 children, 76,000 seniors, and 138,000 people with disabilities — live in stable, affordable homes. The vouchers would lift about 250,000 people, including about 90,000 children, above the poverty line. An estimated 70 percent of those assisted would be people of color. The vouchers would help people in a wide range of communities: 36 percent of vouchers are used in suburban areas and 11 percent in rural areas.

Health Care

- 11. Though states have expanded Medicaid and Medicare to include those experiencing homelessness, a study has shown 60% of the homeless population are not enrolled. People experiencing homelessness frequently seek emergency rooms for medical treatment accruing medical debt and are less than likely to connect to a primary care physician. Could you explain some of the obstacles people experiencing homelessness experience when applying for Medicaid and Medicare? How can the healthcare and homeless systems collaborate to guarantee that people experiencing homelessness have access to healthcare while simultaneously reducing hospital visits?**

Supportive Housing (from CBPP's paper:
<https://www.cbpp.org/research/housing/supportive-housing-helps-vulnerable-people-live-and-thrive-in-the-community>)

Everyone needs safe, decent, stable housing. For some of the most vulnerable people in America — people with mental illness, chronic health conditions, histories of trauma, and other struggles — a home helps them to get adequate treatment and start on the path toward recovery. But some conditions make it difficult for people to maintain a stable home without additional help. Supportive housing, a highly effective strategy that combines affordable housing with intensive coordinated services, can provide that needed assistance.

Living without stable housing can drastically worsen health. Homelessness can exacerbate mental illness, make ending substance abuse difficult, and prevent chronic physical health conditions from being addressed. People with these and other health issues often end up in crisis situations while living on the streets, and emergency rooms may be the only health care they are able to access.

Although affordable housing is part of the solution, some people may need their housing coupled with supportive services to maintain it. For instance, service providers can help people with mental illness pay their rent on time and understand the rights and responsibilities outlined in a lease, or can make sure people with chronic illnesses manage their diet and medicine properly, which can keep them out of hospitals or nursing homes.

A broad body of research shows that supportive housing effectively helps people with disabilities maintain stable housing. People in supportive housing use costly systems like emergency health services less frequently and are less likely to be incarcerated. Supportive housing also can aid people with disabilities in getting better health care and help seniors trying to stay in the community as they age and families trying to keep their children out of foster care.

Policymakers, administrators, and health providers are increasingly aware that a lack of stable housing can interfere with health goals, and that linking health care with affordable housing can produce better outcomes for some people than providing them separately. Yet there is not nearly enough supportive housing to meet the need. Policymakers can create additional supportive housing by:

- Providing additional rental assistance and other housing resources;

- Reinvesting savings created by supportive housing that reduces use of health services and corrections to increase the supply of rental assistance;
- Making greater use of Medicaid services for supportive housing; and
- Targeting supportive housing only on those who need it.

Substance Use System of Care (from CBPP's paper:

<https://www.cbpp.org/research/health/medicaid-is-key-to-building-a-system-of-comprehensive-substance-use-care-for-low>)

It's essential that a truly comprehensive SUD system of care:

Provide a full continuum of treatment and service options that are tailored and coordinated to meet behavioral and physical health needs. Substance use treatment is not one-size-fits-all. A wide range of services should be available, including early interventions, outpatient services, residential and inpatient services, and physical and behavioral health care to treat co-occurring health conditions.

Make high-quality services available to people with all types of substance use disorders. High-quality treatment and services should be available regardless of an individual's SUD diagnosis. Trends in substance use change, so a system of care should respond to emerging crises in real time while continuing to address existing needs.

Provide services rooted in latest evidence and reflecting best practices. For instance, medication assisted treatment — which combines medication with behavioral therapy — for opioid use disorder is strongly supported by research yet remains under-used.

Advance racial equity. All people with SUDs should have access to the best available care regardless of their race or ethnicity. While substance use disorders and inadequate access to treatment are serious problems among all racial and ethnic groups, communities of color face additional barriers to treatment. The SUD system of care should be tailored to meet the needs of communities of color.

Connect people to the non-health resources and social services they need to begin treatment and maintain recovery. The most effective treatment programs for substance use disorders combine substance use treatment and mental health services with social supports, including housing, child care, vocational supports, educational services, legal services, and financial supports

12. Are there some systems models of housing and services (especially health and behavioral health care) integration that have worked to reduce homelessness at a significant scale? Are there things we should be doing to try to link these two silos, like iterations of the HUD-VASH program?

Supportive housing is an evidence based intervention that combines services with permanent housing. The HUD-VASH program – a highly successful model – combines health and other services like case management from the VA with a Housing Choice Voucher, and has both tenant-based and project based components.

Homeless assistance systems alone cannot end homelessness. A comprehensive approach to ending homelessness must address housing affordability for people with the lowest incomes, housing supply, services, and technical assistance for communities.

Affordable Housing

The most effective policy to address the nation's homelessness crisis is to provide a Housing Choice Voucher for every eligible household. Investments are also needed to preserve existing affordable housing — including public housing — and address the insufficient supply of affordably priced housing affecting some communities.

Vouchers effectively fill in the gap between the cost of rent and utilities and how much a household can afford to pay, ensuring that those with very low incomes can afford housing. Expanding vouchers would fundamentally alter the landscape for people experiencing homelessness, institutionalization, and housing instability, ultimately preventing many stints of homelessness because households with low incomes would be able to afford housing and, thus, would be less likely to fall behind on rent and face eviction. It would lift millions of children out of poverty and improve educational outcomes, help seniors and people with disabilities, and provide youth and young adults with a brighter path to adulthood. This is the goal we should be working toward, even if we cannot get there in one step.

Services

There are multiple kinds of services that are needed to help people secure and maintain housing, so it is important to be clear about the kinds of services that are needed and who should be responsible for delivering them. Regardless of the kind of service, the following key principles apply:

- **Choice.** People should not be required to engage in services as a condition of getting their basic needs met. Instead, we should meet people where they are and work hard to connect them to the services they need and want.
- **Community-based solutions.** People are best served in the community, whenever possible. We should strive to minimize the use of institutional settings to deliver services, such as nursing homes or jails.
- **Partnership.** The homelessness system can't take the place of the health care system, and the health care system can't take the place of the homelessness response system. They must work together.

This section discusses two key kinds of services: 1) housing-related services that help people navigate the housing market, leasing process, and landlord relationships and 2) health care services, including mental health and substance use care. Some people need temporary housing supports services to search for and secure housing, while others need intensive housing and/or health care services to maintain housing. Investments are needed to increase capacity of both systems to deliver these services and to coordinate and build partnerships.

Medicaid can serve as a sustainable funding source for health care services for low-income people, as well as for some housing-related services for people with disabilities, chronic illness, or mental health and substance use needs who sometimes need longer-term or intensive housing-related supports. States already have the flexibility to cover these services in their Medicaid programs.

Many states are working to expand access to mental health and substance use treatment, and some are starting to cover housing-related services for people with complex health needs. However, it will take time to build capacity, address barriers, and fully meet need for Medicaid-eligible people. Unfortunately, not all states have expanded Medicaid, meaning many unhoused people remain uninsured. And reimbursement rates for behavioral health services are low across all forms of insurance, creating disincentives for providers to accept coverage.

One important way that Congress can support states' and communities' efforts to increase access to housing and health care services for people experiencing homelessness is to fund capacity building and technical assistance for partnerships between homelessness Continuums of Care, public housing agencies, and community-based Medicaid providers. Each of these systems are struggling to keep up with need, so it will require additional capacity to build and maintain lasting partnerships.

- 13. Required documents to enroll in Medicaid and Medicare, as well as the ability to submit documentation electronically, are required for access to health care. Most people experiencing homelessness often do not have access to computers and the process to apply for health care insurance can be complicated. Often, people experiencing homelessness are constantly moving from place to place and do not have a secure place to store vital documents causing them to lose documents. Could you describe the challenges that service providers face when assisting persons who are experiencing homelessness in applying for health care and navigating the system?**

The Affordable Care Act ushered in a [new approach](#) to determining eligibility for Medicaid with the goal of providing simplified and streamlined access to coverage. However, homelessness can still make it more difficult to secure and maintain health benefits. Unhoused people often lack reliable access to transportation, phones, or computers needed to submit applications. Even those who do manage to submit benefit applications may not receive mail or phone calls from state agencies about additional steps needed to access or keep health care benefits. Moreover, unhoused often have no safe place to store important documents often required in benefit applications – such as proof of identity or residency – and have lost or had them stolen and need to replace them before proceeding with applications.

Homelessness and health care service providers can play a critical role in helping people overcome these barriers to health coverage. Organizations can use staff time to walk people through the application, pay for fees related to securing identification or other missing documents, and access transportation. And some unhoused people may opt to have communications about their application directed to a trusted provider that is helping them navigate applications, reducing the likelihood that they will miss important instructions. However, providers assisting with applications may also have difficulty keeping in regular contact with people who are unsheltered throughout the application process. Moreover, providers are limited in how much time they can

dedicate to helping people navigate benefit applications on top of their primary responsibilities of providing shelter, housing, or health care.

Fortunately, during the pandemic, COVID-19 relief legislation included a “[continuous coverage](#)” provision that prohibits state Medicaid agencies from disenrolling most until after the public health emergency (PHE) ends. This has allowed millions to people — including many people experiencing homelessness — to stay covered without any interruption during the pandemic. Providers working with people experiencing homelessness will be particularly critical to keeping eligible people covered as states unwind the Medicaid continuous coverage policy after the PHE ends. After the PHE ends, many unhoused people will need help getting the message that they need to renew their coverage and completing that renewal process.

Coronavirus Pandemic

- 14. In response to the public health crisis, the Department of Housing and Urban Development (HUD) released a list of waiver flexibilities in June of 2020 to programs such as the Continuum of Care (CoCs), and Emergency Solutions Grants (ESG), to help alleviate the burdens experienced by CoCs and homeless services providers have been experiencing during the coronavirus pandemic. Could you describe the flexibilities HUD implemented to help alleviate the burdens? What flexibilities do you believe should be implemented going forward and why?**

HUD issued waivers for the CoC and ESG programs, and implemented alternative requirements for new programs funded as part of the nation’s COVID response. For example, important flexibilities were provided in the Emergency Housing Voucher (EHV) program. These alternative requirements – including allowing for the use of funds for landlord incentives and housing navigation – are important tools for ensuring that voucher utilization can be maintained at a high rate for vulnerable populations.

CoC and ESG waivers issued to ease operational burdens for HUD-funded programs should be maintained. These include flexibilities regarding the use of Fair Market Rents, establishing streamlined documentation requirements and presumptive eligibility standards, allowing for a streamlined inspection process and lifting the requirement for a one-year lease term.

To the extent possible, Congress should encourage or allow the Office of Community Planning and Development to apply flexibilities allowed under the EHV program to McKinney-Vento funded programs so that standards designed to streamline processes and increase utilizations are uniform across funding streams. This will ease administrative burden at the local level.

*Questions for the Record from Chairwoman Maxine Waters Subcommittee
Hearing, entitled “Housing America: Addressing Challenges in Serving
People Experiencing Homelessness”
February 2, 2022, at 10:00 am ET*

**Responses of
Nan Roman
CEO
National Alliance to End
Homelessness**

Housing First

1. *The Department of Housing and Urban Development (HUD) has sought to incentivize recipients of Homeless Assistance Grants to move to a housing first approach, while leaving sufficient flexibility for recipients to make exceptions in limited cases where it might be appropriate for health and safety reasons. Could you please describe the “Housing First” approach? How is the “Housing First” approach not housing only?*

Homelessness is stressful and traumatic for those experiencing it. While homeless, most people are focused on meeting their immediate needs, including most urgently for a home. A stable home gives people the foundation upon which they can build solutions to their other problems.

The Housing First approach gets people a stable home as soon as possible. It also provides services, both before people are housed, and after. The original model of Housing First includes pre- and post-housing access to the most sophisticated, evidence-based services including Assertive Community Treatment (ACT), a multidisciplinary team approach for people with mental illness.

Having said this, some people experiencing homelessness prefer congregate settings and a more structured services approach. These models should also be available to people who prefer them.

2. *Housing First ensures that households are provided with housing assistance and services without any preconditions. This approach acknowledges that housing is a necessary platform for achieving additional successful outcomes. How does supportive services play an important role in the Housing First approach?*

While housing is the only thing that some people experiencing homelessness need, others also require short- or long-term services in order to stabilize their lives and avoid returning to homelessness. Service needs might range from physical or behavioral health care to other types of assistance such as securing employment, getting their children organized in school, signing up for benefits, etc. Services are a key part of Housing First.

3. *More and more people throughout the country are struggling to make ends meet and afford housing throughout the nation. In fact, 40% of people experiencing homelessness*

are currently employed. In many communities, people have to work multiple minimum wage jobs just to be able to afford rent. As a result, many are going on strike to demand livable wages from their employers. How does the “Housing First” approach promote long-term stability for people experiencing homelessness through employment?

People who are unsheltered or living longer term in shelter, transitional housing, or other forms of interim housing have a difficult time obtaining and maintaining employment. Shelter requirements (entry/exit/meal-times, requirements to participate in programming, lack of certainty as to residence/location, etc.) can interfere with employment. People may find employment they can access from a shelter, but not from their eventual housing placement. The more quickly people can be housed, the faster and more reliably they can be employed. Housing First can also provide people with home-based support to obtain and retain employment.

4. *Re-entry into communities is difficult for those exiting the prison system due to the absence of guidance and resources. In addition to the systemic lack of support, research shows that homelessness and policies that discriminate against people with criminal records are key factors in rates of recidivism. How does the housing first model promote successful reintegration for justice involved individuals?*

There are many roadblocks that hinder people exiting the prison system in their efforts to obtain housing and/or employment. Being homeless significantly heightens the post-incarceration barriers they already face and often leads to recidivism to jail or prison, even for status offenses. The more quickly people are stabilized in housing, the more likely they will be to obtain employment and the less likely they will be to re-offend. The Housing First model, focused on rapidly stabilizing people in housing and providing any services they may need, effectively addresses this issue.

Racial Disparities

5. *Nationally, over 67% of people experiencing homelessness are Black, Indigenous, and Latinx, despite representing 12%, 1%, and 16% of the total U.S. population, respectively. While the lack of affordable housing supply is the greatest barrier to ending homelessness, extensive research has shown that for people of color who experience homelessness, an even more stark reality is racism and discrimination. The Fair Housing Act of 1968 not only prohibited discrimination in housing, but it also requires affirmative action to ensure everyone in this country has equal access to housing—a provision of the law known as AFFH. Can you please tell us how HUD rules and regulations regarding AFFH inform the work of homeless service providers, what needs to be improved?*

People experiencing homelessness and seeking to obtain housing are discriminated against for a variety of reasons, including their race. The resumption of a robust and structured AFFH program is good news for the housing prospects of people experiencing homelessness. To facilitate AFFH in the homelessness context, HUD could create specific frameworks, tools, technical assistance, etc. focused on housing people experiencing homelessness. There is some indication that people of color experiencing homelessness, while housed at a rate similar to that of White people, return to homelessness at a higher rate. HUD could help jurisdictions examine their data or conduct

research to find the reasons this might be occurring (thinner support networks once housed, fewer employment opportunities, more evictions, etc.). The goal could be to ensure that those re-housed from homelessness are living in communities that fully meet the Fair Housing standards.

6. *What trends do you see in workforce diversity of homeless service providers and what can Congress do to help improve the provision of culturally competent services to people experiencing homelessness?*

Black, Indigenous, and people of color are significantly over-represented in the homeless population, and this fact makes it imperative that these groups be widely present in the leadership and staff of homeless assistance organizations. This appears to increasingly be the case. People who share the experiences and culture of those who are homeless are also critical to ensuring that the assistance provided is culturally relevant and competent. Research has indicated, for example, that, “Underrepresentation of people of color in the medical field poses a huge challenge in psychiatry as racial match with a healthcare provider gives patients a sense of comfort, facilitates building a long-term relationship based on mutual trust and can even determine the prospects of treatment follow up.”¹ People with lived experience of homelessness on the staffs of homeless assistance organizations can also be effective in building trust and designing and implementing interventions.

7. *A few years ago, when the national data showed that veterans were disproportionately experiencing homelessness, our federal government took proactive measures to address it. Since then, we have seen a significant decrease in the number of veterans who are experiencing homelessness today. Similarly, we know that despite making up 29% of the total U.S. population, Black, Indigenous, and Latinx people represent over 67% of people experiencing homelessness today. Based on your experience, are there any successful racial equity strategies in the homelessness space and what are they?*

Communities across the nation are increasingly adopting race equity strategies to ensure that racial and ethnic disproportionality and disparities are reduced – and hopefully eliminated – in the homelessness system. Disproportionality is largely due to systemic and historical racism in the housing, health care, employment, criminal justice, etc. systems. It is primarily these large systems that should bear the responsibility for reducing disproportional exits of their clients into homelessness.

With respect to disparities in the outcomes of homeless assistance, jurisdictions are increasingly using their data to identify disparate outcomes so that they can be remediated. For example, a study in Los Angeles examined returns to homelessness among people enrolling in permanent supportive housing (PSH) programs. The study found, “...clear racial inequities in returns to homelessness after enrolling in PSH. Between 2010 and 2019, one in four (25%) Black, single adult residents returned to interim housing or street homelessness after being placed in PSH. In the same period, the return rate for White single adult residents was 18%.”² With this

¹ “The Socioeconomic and Racial Disparities in Mental Health Care,” Karolina Sadowska. *Stanford Journal of Public Health*, Volume 7, Spring 2018.

² “Inequity in the Permanent Supportive Housing System in Los Angeles: Scale, Scope and Reasons for Black Residents’ Returns to Homelessness.” Norweeta G. Milburn, Earl Edwards, Dean Obermark and Janey Rountree. October 2021.

information, Los Angeles can begin to identify and address the causes of this disparity. Other jurisdictions are increasing support to often smaller nonprofits that have strong reputations for providing culturally relevant assistance to those experiencing homelessness. Such organizations often need help to meet federal funding requirements.

8. *While the Build Back Better Act provides over \$150 billion to increase the supply of housing, make rent more affordable through Housing Choice Vouchers, and to combat housing discrimination through increased fair housing funds, what more can Congress do to proactively address worsening racial disparities in housing and homelessness?*

In addition in the robust initiatives already underway or under consideration, incentives to jurisdictions to remove zoning, permitting and other barriers to the creation of affordable housing could be helpful. Also, given the time that it is going to take to fill the affordable housing gap in the nation, Congress might consider ways to incentivize modest, low demand housing models such as single room occupancy or shared housing. Congress might also consider a program or program modification that takes advantage of the current opportunities in the office and commercial real estate markets to convert vacant space in these buildings to permanent housing, when practicable.

Capacity Limitations

9. *Despite existing federal homeless resources, service providers continuously face barriers when addressing homelessness in their communities. For example, in rural communities, service providers have found it difficult in identifying people experiencing homelessness and often cover large service areas with few staff. Could you describe the unique hurdles rural service providers face in identifying and serving people experiencing homelessness?*

Homelessness plays out differently in some rural, versus more urban, communities. Many rural jurisdictions do not receive a direct allocation of Continuum of Care funds from HUD but rather receive lesser amounts via the Balance of State funding pool. They may also receive small amounts of Emergency Solutions Grant funding. Together, this funding is often insufficient to support a full range of homeless programs (street outreach, shelter, permanent housing, services, etc.).

If there is not shelter in a jurisdiction, people without homes may live in over-crowded conditions with others, thus failing to meet the HUD criteria for homeless assistance. Or they may have to live unsheltered in barns, substandard housing, vehicles or tents, invisible to any system of help that may exist.

The alternative is for people to move to jurisdictions that have received more resources and can provide shelter, services and housing. While helpful, such moves can also sever people from their family and other support networks, leaving them vulnerable to future spells of homelessness.

Fundamentally, rural areas function differently than urban and suburban areas and homelessness and homeless assistance play out differently. Rural areas should be given the option to take a different approach to the problem rather than be forced to replicate more urban approaches when they have neither the demand nor the resources to make them work. An alternative would be to

establish a rural component of homeless assistance that is more flexible and focused on the individual rather than on the system. For example, counties could administer a homeless program using flexible funds for things like short term financial assistance that could give people the ability to quickly address their housing problems in a variety of ways such as rental assistance, family payments, funds to repair substandard housing, etc. Services could be provided by counties using their mainstream resources, as appropriate or available.

10. A study was conducted to better comprehend homelessness in rural areas. According to their findings, service providers frequently report having limited access to community resources and lack the ability to support those experiencing homelessness become stably housed. This is why the Build Back Better Act provides more than \$2 billion in housing funding directed to rural communities. What are some of the challenges rural service providers face in the delivery of services to those experiencing homelessness?

As noted above, smaller rural communities often fail to receive enough resources to stand up a full-scale homeless assistance system. This is a challenge. But there is also a question as to whether every small community needs a full-fledged homeless assistance system. In smaller rural communities, the funding in BBB or other vehicles could support the creation of modestly sized programs or entities that function like the Emergency Food and Shelter Program. They could assist residents to access the specific cash or other assistance they need (rental assistance, deposits, financial contributions to a host household, vehicle repairs); and also facilitate their connection to assistance or services provided most likely at the county level.

Health Care

11. Though states have expanded Medicaid and Medicare to include those experiencing homelessness, a study has shown 60% of the homeless population are not enrolled. People experiencing homelessness frequently seek emergency rooms for medical treatment accruing medical debt and are less than likely to connect to a primary care physician. Could you explain some of the obstacles people experiencing homelessness experience when applying for Medicaid and Medicare? How can the healthcare and homeless systems collaborate to guarantee that people experiencing homelessness have access to healthcare while simultaneously reducing hospital visits?

Medicaid and Medicare are complex federal programs that vary by state and often require significant documentation that people experiencing homelessness do not have and have trouble obtaining. People experiencing homelessness may have difficulty accessing the internet to get information on what assistance they are eligible to receive and how to apply for it. They may not have a “permanent” mailing address to which Medicaid or Medicare information/documentation can be sent. It is challenging for them to figure out what is covered and what health providers they can access. These are the obstacles.

The HUD-VASH model seems to be a good one, in which there is a formal agreement between HUD and the VA that connects housing and health care from the beginning and makes it clear that while HUD pays the rent, VA covers health services. Could CMS and HUD replicate such a model? Using this model, CMS could also help people take steps to prevent illness, such as healthy eating, exercise, appropriate and regular testing, and consistent treatment for illnesses.

12. *Are there some systems models of housing and services (especially health and behavioral health care) integration that have worked to reduce homelessness at a significant scale? Are there things we should be doing to try to link these two silos, like iterations of the HUD-VASH program?*

Permanent supportive housing has certainly been a successful and proven intervention that ends people's homelessness by providing housing that is affordable, and services that improve people's health and behavioral health. A sophisticated version of this is Pathways to Housing Philadelphia, which is a scattered site model (although single sites could also work) by which people with serious behavioral health and other problems are offered permanent housing subsidy along with sophisticated, evidence-based services via Assertive Community Treatment (ACT) teams and general access to services. ACT multi-disciplinary teams (psychiatrists, nurses, social workers, certified additions counselors, employment specialists, and peer health specialists) meet people where they are and provide stabilizing services. Pathways Philadelphia takes the hardest to serve people; was one of the original Housing First programs; provides the most sophisticated, evidence-based services; and has housed 3500 of the highest need people, 85% of whom are still in housing. (NOTE: In full disclosure, I am a Board Member and Officer of Pathways to Housing DC – a separate organization but a partner of Pathways Philadelphia.)

It must be noted that to “reduce homelessness at a significant scale” it will be necessary not only to stably house people experiencing homelessness, but ALSO to prevent people from becoming homeless. The latter is largely outside the purview of the homelessness system, and should be the focus of the criminal justice, military, foster care, behavioral health, health, employment and other mainstream systems.

13. *Required documents to enroll in Medicaid and Medicare, as well as the ability to submit documentation electronically, are required for access to health care. Most people experiencing homelessness often do not have access to computers and the process to apply for health care insurance can be complicated. Often, people experiencing homelessness are constantly moving from place to place and do not have a secure place to store vital documents causing them to lose documents. Could you describe the challenges that service providers face when assisting persons who are experiencing homelessness in applying for health care and navigating the system?*

Enrolling in Medicaid or Medicare – and indeed in many other federal benefit programs, COVID-specific tax initiatives, etc. – is not straightforward or easy even for those with access to documents and computers. For those experiencing homelessness it is exponentially more challenging.

To begin with, understanding the eligibility requirements for benefits, choosing among various options, determining whether you are eligible, etc. are all confusing. Program case managers should be able to assist people to address these barriers, but they are not always trained to do so. The agencies that administer such programs also have call lines, but these lines often require long waits (especially post-COVID), are not always useful, and rarely have staff that is trained to deal with consumers with the complex issues that those experiencing homelessness may have.

They also, of course, require that a person has a phone, has the minutes to stay on hold for long periods, and is free during business hours.

As is noted, people experiencing homelessness, moving from shelter to shelter or living outside, have no safe place to keep important documents and are challenged to carry documents with them while they are homeless. As a result, even if people initially had documents, they are often stolen or lost. Replacing these documents requires computers, phones and often entails fees. Again, case workers are meant to be able to help people with these problems, but they are often over-whelmed themselves.

In short, many people experiencing homelessness do not receive the assistance they are eligible for because the infrastructure needed to help them apply is simply not universally available.

Coronavirus Pandemic

14. In response to the public health crisis, the Department of Housing and Urban Development (HUD) released a list of waiver flexibilities in June of 2020 to programs such as the Continuum of Care (CoCs), and Emergency Solutions Grants (ESG), to help alleviate the burdens experienced by CoCs and homeless services providers have been experiencing during the coronavirus pandemic. Could you describe the flexibilities HUD implemented to help alleviate the burdens? What flexibilities do you believe should be implemented going forward and why?

The waivers were put in place to make it easier for grantees to implement the programs, given the exigencies of COVID. Largely they allowed grantees to have more time to implement programs, gave grantees greater decision-making authority, and allowed more flexibility as to who could receive funds. For example, for ESG there were waivers: for ending a citizen participation requirement; for states to carry out activities directly rather than subgrant all program funds; to give funds to PHAs and redevelopment authorities; to forego the match requirement; to expand certain shelter activities; and to provide training, hazard pay, landlord incentives, and volunteer incentives, among other things.

We might recommend that there be some waiver flexibility or clarification of rules regarding eligible services as to the homeless consumers' use of funds for things like: vehicle repair; travel to another jurisdiction in which they have a proven housing option; cash transfers; document acquisition; diversion; household goods (for those being re-housed); etc.



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WORK WORKS AMERICA

Thank you for the opportunity to testify to the United States House of Representatives Committee on Financial Services Subcommittee on Housing, Community Development, and Insurance on the topic of homelessness.

As we know, homelessness is not yet eradicated in our great country and, until it is, we need to look at every possible solution, be open to new ideas to enhance existing interventions, and invest in what works. We need to embrace a multi-faceted approach for both the sake of the more than 580,000 unique individuals who experience homelessness each night in America¹ as well as for the benefit of cities and towns of all regions and sizes struggling to break the cycles of the interrelated crises of homelessness, addiction, incarceration, and unemployment that plague their communities.

It is an honor and privilege to collaborate with you to meet this moment of urgency by sharing innovative options that WORK.

My name is Isabel McDevitt and I am Executive Vice President of The Doe Fund and Co-Founder of Work Works America. I have worked in the field of homeless services since 1998 in New York City, Philadelphia, and Metro Denver where I founded the Ready to Work program.

The Works Works model combines paid work in social enterprise with transitional housing and support services as a stepping stone to mainstream jobs and housing. Founded in 1990 and pioneered by The Doe Fund's award-winning Ready, Willing & Able (RWA) program in New York City, RWA Work Works has empowered over 29,000 individuals and through social enterprises pays over \$8 million per year to marginalized populations returning to work. Additionally, by providing people leaving prison with a job, a home, and a supportive environment, Work Works reduces recidivism by an unparalleled 62% after 3 years².

The Work Works model has been scaled to 6 other communities with great success including in Colorado (Ready to Work) where 72% of trainees graduate to mainstream employment and housing. In

¹ 2020 Point in Time survey

² The Doe Fund Client Tracking Database and study with New York State Dept of Corrections data



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Georgia (Georgia Works) where 70% of trainees graduate; 80% of graduates retain their original jobs and housing³.

Today, I will share my experience with the Work Works model in multiple regions and ask that we partner to make Work Works an additional tool in our toolkit - a complementary resource to existing interventions - as we strive to end homelessness for the more than 73% of adults experiencing homelessness that do not meet the threshold of chronically homelessness and, therefore, do not qualify for permanent supportive housing⁴.

Currently, Housing First is the most widely supported approach - both philosophically and financially - for addressing homelessness. But, homelessness is a symptom of myriad systemic failures, therefore, housing alone cannot solve it. Communities need additional tools that address the root causes of homelessness and remove the barriers people face - not just in getting, but in keeping permanent housing. Barriers that include un and under-employment, addiction, and lack of access to behavioral health care.

People experiencing homelessness are victims of a lack of investment - beginning upstream with failing schools, substandard housing, unequal access to healthcare, racial inequities, and inadequate access to living wage jobs. Street homelessness, mass incarceration and drug abuse are downstream results of these systemic failures. Of course we would want to prevent homelessness but when we can't and people find themselves on the street after a life event or exit from an institution or at the proverbial "rock bottom", we need quick, accessible interventions and resources to provide tangible, sustainable pathways back to housing that include access to employment and behavioral health services.

Our lack of investment in dynamic solutions doesn't just affect marginalized populations, it hurts everyone. The costly cycles of incarceration have not only a massive financial price tag but a profound impact on communities. Individuals with histories of incarceration, are nearly 10 times more likely to experience homelessness than the general public⁵. The un and under-employment of people who have experienced homelessness and incarceration leads to a loss of 1.7-1.9 million workers and between \$78-\$87 billion in GDP per year.⁶ Of people experiencing homelessness in America, an estimated 78% are jobless or underemployed⁷. A disproportionate number of people experiencing homelessness are people of color.

When addressing homelessness, the link between employment and homelessness has been grossly ignored. Now, in 2022 as the country strives to recover and invest in workforce development, policies

³ Ready to Work and Georgia Works data reports

⁴ National Alliance to End Homelessness - endhomelessness.org

⁵ National Low Income Housing Coalition

⁶ Center for Economic Policy Research - The Price We Pay: Economic Costs of Barriers to Employment for Former Prisoners and People Convicted of Felonies

⁷ Working Population Grows in America, Parade Magazine and program services data



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and programs that create jobs and foster economic growth cannot repeat past mistakes by excluding the most marginalized including people at risk of or experiencing homelessness. Work Works is a bridge that reaches, prepares, supports and stabilizes people - and brings them into our mainstream economy and society yielding a massive return on investment both socially and financially.

For two decades, approaches such as Housing First and Permanent Supportive Housing have been the focus of funders and policymakers. While Housing First appears to be a logical and immediate solution, dig deeper and you will see that traditional housing models are only viable for an estimated one quarter of adults experiencing homelessness based on economic and eligibility criteria set by Federal policy.

In a recent “House America” webinar, a senior HUD representative presented statistics from the 2020 Point in Time count that illustrate the fact that across the country we are lacking housing resources for 85% of the population of adults experiencing homelessness⁸. Put more simply, of 100 people experiencing homelessness only 15 will have access to housing resources. This is partially due to the supply of units compared to the stated development target for housing development, but more importantly, this is also due to eligibility criteria set that disqualifies people who are not chronic or “vulnerable” enough to qualify in the first place even if there was enough supply.

On the ground perspective -

In the 1980s, George McDonald who founded The Doe Fund and the Work Works model spent 700 nights in a row handing out food in Grand Central terminal where he listened to and acted on the needs of the people he met and served who said over and over “thank you for the sandwich, what I really need is a room and a job to pay for it”.

For more than 30 years thousands of people have echoed this statement and have credited the opportunity to work for resolving their homelessness and the transformation of their life.

This is just one story -

As a child growing up fatherless in Washington Heights, Johnny watched helplessly as his mom struggled to put food on the table for her three children, to keep a roof over their heads and clothes on their backs. But no matter how hard she worked, there was never enough money.

For a 12-year-old living in poverty, desperately wanting to help his family survive, the lure of the streets—the lure of easy money—can be hard to resist, no matter the risks. “I hung out with an older crew and we did all kinds of things to make money,” says Johnny. “We robbed people. Broke into apartments. Sold drugs. Sure enough, I started to bring money home. It made me feel like a man.”

⁸ https://www.hud.gov/house_america



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But he wasn't a man. He was a 12-year-old boy who was in over his head. By the time he realized that his life was spiraling out of control, it was too late. The crimes and violence had escalated so much that he was getting arrested three to four times a week. By the age of 25 Johnny had spent half his life behind bars—in and out of prison again and again.

"That's the problem with the streets," he says. "They trick you. You think you're working them and getting this big pay out. But the whole time, the streets are working you. Taking from you."

Johnny's family was evicted from their apartment. He was alone, with nowhere to go. But everything changed when he joined Ready, Willing & Able. "For the first time since I was 12, I wasn't a criminal," he says. He was a young man with a future...a real future. "I was someone who deserved a chance in life."

While I have never experienced homelessness, I have worked with tens of thousands of people who have. From my perspective working in this field for 24 years in places as different as New York City and Boulder, CO, I have seen the universal power of opportunity and the stark need for a more comprehensive, pragmatic continuum of services that includes work and embraces opportunity.

When I was a shelter provider on-the-ground in Colorado, I saw how the monolithic Housing First approach excluded people and that spurred me to bring Work Works to the community.

After seeing people like Kurt, 39 years old using heroin since his twenties, divorced due to addiction, living under a bridge in the dead of winter.

And Nellie, age 62, who found herself on the streets after losing her husband to cancer and crushed by a pile of medical bills. Frail, vulnerable and unable to afford her own hearing aids, sleeping under a tree, scared and alone.

And Kristie, age 31, released from three years in prison to the streets. With no relationships or support and a criminal background looming, looking for a fresh start, a platform to begin her new life and to build a foundation to regain custody of her 7 year old son.

I was compelled to start Ready to Work. Kurt, Nellie, and Kristie, none eligible for the Housing First resources available in Boulder. All successful participants in the Ready to Work Work Works program.

Other communities feel this too and as a result seek Work Works. We receive hundreds of inquiries a year and are in active conversations with local stakeholders from Texas, Maine, Kentucky, and California.

What can we do? The Work Works Solution as a Complement to Housing First

The Work Works model empowers adults experiencing homelessness who do not self-resolve out of shelter, off the streets, or reentering from incarceration, AND who are not vulnerable enough to qualify



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for traditional resources. Work Works encompasses a dynamic approach with a holistic combination of paid transitional work in a social enterprise coupled with housing and support services as a pathway to mainstream employment and independent housing in one program. Work Works, and its holistic design, is a complement to Housing First and an additional tool for communities.

Over 85% of participants in Work Works are people of color, 88% self-report a history of substance abuse, over 70% have a history of incarceration, 25% have been unemployed for 5 or more years before joining the program. 0% reach the threshold to qualify for permanent supportive housing.

The first element of Work Works is paid work for participants to gain work experience and earn an income. A Work Works model operates social enterprises that offer work experience and training for approximately 30 hours per week. Social enterprises are businesses that integrate a social mission with a market-based, competitive, revenue earning business. Not only do program participants build resumes and references, participants are empowered and often emotionally transformed by the powerful purpose of work. Work Works enterprises can support up to 40% of total program operating cost through earned revenue.

The second element of Work Works is housing, which in this case means transitional, safe, affordable accommodations for program trainees. The Works Works housing type includes converting commercial properties into dormitory-style housing at 20% of the cost of building traditional units. Living in Work Works housing that is part of the program from day one and provides a sense of community and positive living environment to support participants as they transition out of homelessness or reenter from incarceration.

In the third element of the program, support services, trainees meet with case managers and participate in life-skills training such as financial management, debt relief and addiction recovery. Workforce Development services include Adult Basic Education and occupational trainings. Participants are required to establish a savings account to ensure financial stability after they graduate and are living independently.

All of these elements working in tandem are required for Work Works to be successful in the goal for participants to graduate into full-time mainstream jobs and housing after one year.

So what's next? Let's make "Work Works" Work for more Americans

I am here today to ask for your partnership in making this cost-effective, replicable and successful model available on a wider scale as an additional approach to solving homelessness. Without a recognition that there is a vital role for transitional housing coupled with employment and behavioral health services, this model will not be able to scale and communities will continue to fail to provide opportunity for a large proportion of people experiencing homelessness.



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Work Works can be mobilized quickly and effectively and brings benefits to numerous stakeholders. Because our cost-effective model leverages earned revenue in social enterprise and combines housing with supportive services, it better deploys taxpayer funds than traditional homeless services. Work Works offers ways for agencies to pool resources for a more comprehensive, de-siloed approach to addressing homelessness.

The ultimate goal of Work Works is for trainees to leave the program with a full time, mainstream job, independent housing, and sobriety. Every successful completion of Work Works represents not only a personal victory but an individual breaking free of the costly cycles of homelessness, unemployment, and, often, criminal recidivism. Most people eligible for Work Works have a history of cycling in and out of government systems including frequent contact with the criminal justice system. The publicly funded programs include foster care, shelters, prisons, and drug treatment centers—costing tax-payers billions of dollars each year. Work Works' holistic design, innovative model, and work-oriented culture provides an opportunity for individuals caught in these cycles to truly change their lives.

Even before participants graduate into full-time jobs and housing, they are reducing strain on the community. From the day they join a Work Works program, they are integrated into the workforce through their employment in social enterprise demonstrating the real contribution they can make to the community. They are earning and saving money, contributing to the economy, are out of prison and off the streets.

In addition to the cost savings and graduation numbers, Work Works has myriad impacts on the individual including but not limited to increased self-esteem, improved health, and family reunification.

With policy support and funding, Work Works can be deployed quickly to make an immediate, measurable impact on communities of all kinds. Our recommendations include:

- Recognizing the holistic model of Work Works—which combines employment, housing, and supportive services—as a new, necessary category of the continuum of care that brings myriad benefits to communities in need.
- Broadening the current, restrictive definition and on-the-ground implementation of Housing First. Setting policy for a broader view of Housing First to allow complementary efforts for communities to provide and fund congregate living/transitional housing for special populations.
- Allocating funding to the Work Works model that can be accessed by states, counties, and municipalities for the purpose of launching and sustaining transitional paid work, coupled with housing and support.
- Leveraging funding from a broad range of sources—including Federal agencies and private/public ventures—to support Work Works, given that its holistic approach not only addresses



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homelessness but also offers economic development, workforce development, behavioral healthcare, reentry services, and many more benefits.

By investing in human capital, The Doe Fund and its Work Works model has the potential to move hundreds of thousands of people off the streets each year into jobs and housing. Our vision is to advance economic and racial justice while saving hundreds of millions of dollars for the communities we empower through our cost-effective Work Works solution that integrates previously marginalized communities into the mainstream economy in order to break cycles of poverty, homelessness and incarceration.

Thank you for this opportunity.

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