

TESTIMONY OF

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BEFORE THE

SUBCOMMITTEE ON HOUSING AND INSURANCE
COMMITTEE ON FINANCIAL SERVICES
US HOUSE OF REPRESENTATIVES

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Introduction

Chairman Duffy, Ranking Member Cleaver, and Members of the Subcommittee on Housing and Insurance, I am Nan Roman, President and CEO of the National Alliance to End Homelessness (Alliance). I am honored that you have invited the Alliance to testify before you today on the subject of 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.

Homelessness

I am pleased to report to you that from 2007 to 2016, homelessness declined in our nation (in 2017 it increased by less than 1 percent). Homelessness has declined among all

subpopulations, including individuals, families with children, veterans, and people who are chronically homeless (we do not have an adequate baseline on youth). How did this happen, despite the headwinds of increasing rents and poor households' declining incomes? It happened because of strong, outcome-focused federal support, including most notably via the McKinney Vento homeless assistance programs; and improving strategies and practice at the local level.

Progress has been made, but there is a long way to go. Over 550,000 people are homeless in our nation every night – over 1.5 million per year. This is unnecessary, as the history of the McKinney Vento homeless assistance programs indicates that we know what to do to end it. It should be our goal to ensure that homelessness is rare, brief, and non-recurring. Achieving that goal is within our ability as a nation.

I am so happy to be before the Subcommittee on Housing because housing is the driver in the crisis of homelessness. After all, people become homeless when they lose housing. And people who have a home are not homeless. While we all have needs beyond a place to live, it is difficult to think of how we could meet those needs WITHOUT a home. How could we feed ourselves without a home, hold a job, or raise our children? If we are ill, how can we expect to get better without a home? You, here in this Subcommittee, do not control everything a person needs from their federal government to help them end their homelessness. Medical care, job training, education, substance abuse treatment and other services are in the purview of other Subcommittees. But you do have something to say about their housing. And of course you also have something to say about the homeless programs that hopefully help people ultimately return to housing.

HUD McKinney Vento Act Programs Performance

The US Department of Housing and Urban Development's homeless assistance programs, as administered across six Administrations and fifteen Congresses, both Democrat and Republican, have been effective and successful. They focus on helping the most vulnerable people, support evidence based interventions, are outcome-oriented, and are ever-improving.

The HUD homeless assistance programs support a crisis system. They are designed to help address people's immediate crisis, end their homelessness, stabilize them, get them into a home, and connect them to the supports in the community that can help them achieve well-being. They succeed because they know what they can and cannot do.

Because HUD is a housing agency, and because homelessness is – by definition – a housing problem, the HUD homeless programs focus on housing. People do need services and some services are funded through the McKinney Act programs at HUD. But HUD is not really a good services funder, and more comprehensive services are better funded by partner agencies such as the US Departments of Health and Human Services, Labor and VA – and of course by local service agencies and organizations.

The Alliance believes that the HUD homeless assistance programs are well designed and although under-funded relative to the need, grantees continually seek ways to improve their effectiveness and their outcomes. HUD, in turn, continuously adjusts the program to support more and more effective solutions. In that regard, I want to recognize the extremely talented local leaders who join me on the panel today. They do the incredibly hard work of braiding together federal, state, local, not to mention corporate, philanthropic and individual funding to support complicated services and housing interventions for poor people. They are also, with their thousands of nonprofit colleagues from across the nation, always seeking way to improve their performance and help more people with the funding that is available. The innovation and the outcomes come from them, so I thank them for that. There are few human service sectors I know that have this level of commitment to continuously improving their outcomes. HUD has been smart enough to learn from organizations like theirs, and adjust accordingly.

I want to also quickly mention that Congress has required communities to collect administrative data on homelessness for some years now, and that they also collect point in time data. Programs therefore have data to measure their own effectiveness, communities can assess what is working, and the federal government can measure the progress that is being made using federal funds. Not every community uses data productively, but the Special Needs Assistance Programs Office at HUD (SNAPS, which administers the homeless programs) certainly does, and I think this is another important feature of the program.

Recommendations for Improvement

Is the McKinney Vento program at HUD perfect? Certainly there are improvements that could be made.

Some requirements of the program have become unnecessarily complex and time-consuming. It could simplify some application and reporting requirements, which are a burden on applying communities, especially those that are smaller.

The programs are designed primarily for urban areas, which presents some challenges for rural areas. Despite this, homelessness has been going down faster in rural than in urban areas (with the caveat that the point in time counts that assess these numbers are much harder to conduct in rural areas, and most certainly some people are missed). In rural areas (Balance of State and statewide) homelessness went down nearly 30% between 2012 and 2017. During the same period, it went down 12% in the country overall, and 7% in non-rural areas, or cities and suburbs.

Although fundamentally driven by the same issues, homelessness may play out differently in rural areas. Every rural community does not have its own full range of homeless programs – street outreach, shelters, transitional housing, permanent supportive housing, etc. People may have to travel long distances to find conventional homelessness programs. And because there are not so many homeless facilities, people who find themselves homeless in rural communities may move around, live in outdoor buildings, stay in campers, etc.

On the other hand, in most rural communities the number of homeless people is small, making the problem more manageable and giving these communities certain advantages when it comes to solving it. With adequate flexibility, rural Continuums of Care (CoCs) could be more surgical in their interventions. They could solve for the actual problem each individual or family has, instead of just giving everyone the same thing that everyone else gets. Funds could be used to more directly house people who are homeless or at risk.

Far flung and smaller rural communities do not require the same complex systems that large, compact urban ones do. They need more flexibility to address individuals and households one-by-one and to capitalize on existing resources rather than build new bureaucracies. The Subcommittee might wish to consider: allowing rural communities to provide short-term emergency lodging assistance, including in motels; flexible funding for things like car repairs; incentive payments to host households; and encouragement to counties to combine homeless and mainstream funding.

US Interagency Council on Homelessness (USICH)

The HUD McKinney Act programs can address people's housing needs, but to meet their service needs around health care, employment, children's issues and so on, other funding partners must be engaged. HUD funding constitutes around half of the federal government's homeless-specific investment. The remainder comes from other agencies – the US Departments of Health and Human Services, Labor, Education, and Veterans Affairs are the most significant. In addition, both HUD and these other agencies can help with so-called mainstream resources not specifically targeted to homelessness, but still available to meet the needs of vulnerable households for health care, disability income, children's services, youth services, employment services, housing, and so on. The HUD SNAPS Office does partner with these agencies and services, but cross-sector collaboration and coordination is time consuming and sometimes difficult. This is where the United States Interagency Council on Homelessness comes in.

USICH helps the relevant federal agencies, as well as the White House and the Office of Management and Budget, coordinate. It also connects the federal agencies with state and local entities. It shares information widely across the federal government and communities to improve performance up and down the spectrum. It does this effectively and – with a budget of \$3.6 million per year – efficiently. It seems to the Alliance that \$3.6 million is a modest sum to invest in coordinating \$5 billion in targeted resources controlled by multiple federal departments and agencies, not to mention hundreds of local communities. The impact of USICH's work can be seen in the improving practice around the country and in the homelessness outcome data.

The only recommendation of the Alliance with respect to USICH is to continue its authorization (which could be done through support for HR 5393, the Working Together to End Homelessness Act of 2018) and encourage its outcome focus and coordination role.

Homeless Subpopulations – Strategies in Place

There are a number of homeless subpopulations for which there is a relatively clear path forward toward solutions – understanding that fundamentally people who have a home are not homeless.

We know that permanent supportive housing ends homelessness for chronically homeless people (those with disabilities who are homeless for long periods of time or repeatedly). Chronic homelessness has been cut by more than half through this solution. But because of poor targeting in previous years, and because many residents experience recovery, some of the existing permanent supportive housing is occupied by people who could do well with less intensive and expensive assistance. HUD should be encouraged to do more to target turnover vouchers to those who currently occupy permanent supportive housing, but who could be stabilized with only a Housing Choice Voucher. This would free permanent supportive housing to be used for chronically homeless people, as indicated by evidence.

People in families with children primarily need to return quickly to housing and be connected to support services in the community. Nonprofits that wish to support these vulnerable families with services should be encouraged to provide those services to people who are housed, as the impacts will be greater. Rapid re-housing, while not as impactful as a housing voucher, does work well for many families that are homeless, is extremely cost effective, and should be expanded.

Veteran homelessness has been reduced by nearly half in the past few years, and HUD and VA have done a good job of coordinating to achieve this success. The HUD-VASH vouchers that HUD provides for permanent supportive housing are key to this success. VA provides the needed services. HUD also does assist many veterans who either do not qualify for VA services, or who do not connect with the VA.

For all of these populations, the Subcommittee is urged to continue to reinforce HUD's push toward outcomes.

Homeless Subpopulations – Improved Strategies Emerging

Homeless youth and young adults are a population upon which HUD has begun to focus more concentrated attention. Through its short-term 100-Day Challenges technical assistance initiative, the Homeless Youth Demonstration Program, and supportive changes in the Continuum of Care, HUD is doing more to support vulnerable youth. HUD is properly focused most on the housing needs of youth. Rapid re-housing is an example of a housing intervention that seems to be working very well with youth and young adults. HUD can also effectively support local systems that deliver both housing and, through partners, services. The Youth Demonstration Grants will yield good systems models. Considerable resources have been put into demonstrations and new approaches to ending homelessness for youth and young adults through the HUD Continuums of Care. It will be important to ascertain the outcomes of these initiatives as they emerge.

Youth homelessness is closely associated with placement in foster care. At least 25 percent of youth exiting foster care become homeless at some point, and possibly many more. Providing youth leaving foster care with a housing voucher holds promise of virtually eliminating this phenomenon. The Alliance supports giving youth leaving foster care a voucher, which is one of the provisions of the Fostering Stable Housing Opportunities Act (HR 2069). It would be more effective to do this systematically with incremental vouchers, rather than through the voucher turnover process as the Act proposes. The Alliance also supports helping young people exiting foster care to obtain and retain jobs or to finish their educations. While many young people will readily achieve these goals on their own, those most vulnerable to homelessness – such as those with no incomes or incomplete early educations – will require help to do so. Unfortunately, the Act does not offer that help, but rather, through work and education requirements, proposes to punish youth who fail to achieve these goals with the loss of their homes. This approach will make the program ineffective at preventing homelessness. The tremendously successful HUD-VASH program provides a good model for a program that could prevent foster youth from becoming homeless. It has systematically built a supply of incremental HUD vouchers for eligible veterans, and every voucher is matched with VA-funded services. A similar model might be created for foster. The Family Unification Program model, possibly linked with HUD’s Family Self-Sufficiency program, is another option.

A population for which a clear, solution-oriented approach has not been articulated is homeless individuals¹ (those not living in family groups). This is the largest group of homeless people (67 percent of the population). It is the group most likely to be unsheltered (48 percent, versus 9 percent of people in families). It is a group where African Americans are likely to be over-represented (African Americans are 36 percent of all homeless individuals, but only 12 percent of the US population). While 71 percent of homeless individuals are male, there are also many women in this group (29 percent).

Despite being a significant, and visible, homeless subpopulation, the strategy for ending the homelessness of individuals is arguably the least articulated. The group typically receives shelter, at best. Unless someone is disabled, very few other services or housing opportunities are available. HUD is focusing more on the unsheltered portion of this population. Much improved and enhanced crisis shelter assistance is needed for this group – shelter that is decent and low-barrier, and that is focused from the time someone enters on helping that person get employment, get connected to any needed services in the community, and exit to permanent housing.

The Role of Housing

¹ Chronically homeless individuals and veterans, who are included in the statistics for this population, do have clearly articulated solutions strategies.

The HUD homeless assistance programs have indeed had their successes. But this may not continue. This year, for the first time in a decade, the number of people experiencing homelessness on a given night went up – if only slightly. This may be a harbinger of things to come. Across the country, rents are increasingly beyond the ability of extremely low income people to pay them. Housing instability is increasing. Evictions are rising. More people will become homeless if this continues. The housing interventions that are the solution to homelessness – rapid re-housing, permanent supportive housing and Housing Choice vouchers – cannot be utilized because there is simply no housing to rent. Our nation has not always had widespread homelessness, and modern homelessness has always seemed a solvable problem. However, if something does not happen to change the equation on housing affordability, this may cease to be the case. This would be not only tragic, but costly – economically, socially, and morally.

Funding

The HUD homeless assistance programs are effective, efficient, and have been helping communities to reduce the number of homeless people despite the headwinds of rising rents and diminishing incomes for poor people. Nevertheless, last year on a given night, 35 percent of all those who were homeless – nearly 200,000 people – were completely unsheltered. They could not even get a bed in an emergency shelter. Communities across the nation, and providers such as those you have invited to speak to you today, know what to do to help these people end their homelessness. They use every penny the federal government gives them as strategically and wisely as possible. They match it, probably many times over, with private sector, philanthropic and individual donations, not to mention local and state funds. But it is not enough.

It is a disgrace that a nation with the resources of the United States should have nearly 200,000 people sleeping outside every night. The federal government has a critical role to play in solving the problem, and it has shown that it can play that role very effectively. The HUD homeless assistance programs need more resources, adequate to ensure that no American has to live on the streets.

Closing

The HUD McKinney Vento homeless assistance programs have done an admirable job of helping people who lose their housing to get back home. They have done this successfully for three key reasons. First is the tremendous commitment and ingenuity of on-the-ground programs that have continually innovated and focused on outcomes. Second, on the local public and private sector entities that have taken individual programs and formed them into systems that can, again, increase effectiveness and efficiency by allocating resources as strategically as possible – giving those with the highest needs the most intensive assistance, and those who need less a lighter touch. And finally, credit goes to HUD which has learned from these local programs and

jurisdictions, and from data and research, and constantly adjusted its programs to improve outcomes.

Speaking for an organization whose mission – to end homelessness -- is stated in its name, we thank this Subcommittee for your support of the HUD McKinney Vento homeless assistance programs; your support of adequate funding for the program; your vigilance that it achieve outcomes; and your willingness to back the Department when it has made hard, but necessary, decisions in order to improve the programs' impacts.

On behalf of the Board of Directors of the National Alliance to End Homelessness, thank you for inviting me to testify before you and for your on-going support of the HUD homeless assistance programs.

Summary of Recommendations

Continue --

- Help to the most vulnerable people, support of evidence-based practices, outcome orientation, and a focus on continuous improvement in HUD McKinney Vento Act programs.
- The focus of the homeless programs on short term crisis resolution and rapid job/housing placement
- Supporting HUD program changes that improve outcomes
- Data collection and analysis
- Authorization of USICH so it can coordinate federal agencies and different levels of government, and encourage outcomes
- Expand the use of rapid re-housing
- HUD's current definition of homelessness
- Support for proven interventions such as permanent supportive housing and rapid re-housing

Improve --

- Application and reporting requirements through simplification
- Flexibility for rural areas including short-term emergency lodging assistance, including in motels; flexible funding for things like car repairs; incentive payments to host households; and encouragement to counties to combine homeless and mainstream funding.
- HUD's use of turnover vouchers to support tenants who need rental assistance, but not permanent supportive housing, to "move on"
- Examination of outcomes from youth demonstrations and challenges to ascertain how to move forward

- Provision to youth exiting foster care of vouchers (preferably incremental) to prevent homelessness; and services to assist them to obtain and retain jobs and education (in the place of housing conditioned on work and education requirements)
- The approach to ending homelessness among individuals by clearly articulating a strategy that includes decent, low-barrier, housing/employment-focused shelter
- The supply of housing that is affordable to the lowest income people, and the availability of rental subsidy for those who need it
- The level of resources provided so that it is sufficient to end unsheltered homelessness and homelessness overall