







"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







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," and thus typically ineligible for permanent supportive housing. (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).







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 Works 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







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







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

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