

**Statement of
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Before the House Committee on Veterans' Affairs
Subcommittee on Economic Opportunity
June 16, 2021**

Good morning Chairman Levin, Ranking Member Moore, and distinguished Members of the Subcommittee. Thank you for allowing me this opportunity to testify on behalf of the Department of Housing and Urban Development on the topic of Veteran homelessness in the wake of COVID-19.

Veteran Homelessness Prior to COVID-19

On March 18th of this year, the Department of Housing and Urban Development (HUD) released its 2020 Annual Homeless Assessment Report – Part 1 to Congress, which provides the results of the 2020 Point-in-Time count on homelessness. That report found that on a single night in January 2020, there were 580,466 people experiencing homelessness in America. Six percent of this total—37,252—were Veterans experiencing homelessness. The number of Veterans experiencing homelessness was virtually unchanged from 2019. While the number of Veterans experiencing sheltered homelessness decreased by 3%, this decrease was offset by a 6% increase in unsheltered homelessness. In other words, not only did the number of Veterans who experience homelessness on any given night not decline, there were more Veterans sleeping outside than in the prior year.

It is worth pausing to put these figures into some context. When the COVID-19 pandemic arrived in the United States and Americans across the country were told to stay safe by staying home, there were more than half a million Americans who could not do so because they had no home to stay in. That includes over 37,000 Veterans who, after serving and sacrificing in our nation's military, were sleeping either in congregate shelters with beds spaced not six feet, but inches apart, or forced to sleep outside, face the elements, and be without access to hygiene and other facilities.

Secretary Fudge and all of us at HUD believe that there should not have been one single Veteran, let alone over 37,000, that should have had to endure the COVID-19 pandemic sleeping in crowded shelters or on the streets. There should have been zero Veterans experiencing homelessness in early 2020.

Past Progress Demonstrates that Veteran Homelessness Can Be Ended

To state that there should have been zero Veterans experiencing homelessness in early 2020 is not only a statement of principle, but a statement based on evidence. We have shown, as a nation, that Veteran homelessness need not exist. We have demonstrated that we know how to solve Veteran homelessness.

Since 2010, homelessness among Veterans has decreased by nearly 50%, with most of those decreases taking place between 2010 and 2016. During those years, homelessness among

Veterans decreased by an average of 10% each year. From 2015 through 2016, homelessness among Veterans declined by 17%—the largest single-year decrease in Veteran homelessness ever.

We believe that the steady reductions in Veteran homelessness from 2010 through 2016 were the result of two things: First, they are the result of the investments made by Congress in evidence-based Housing First interventions like permanent supportive housing and rapid re-housing. During those years, Congress expanded the HUD-VA Supportive Housing (HUD-VASH) program from approximately 10,000 units nationally to approximately 80,000 vouchers. At the same time, VA received increased appropriations for rapid re-housing and homelessness prevention through the Supportive Services for Veteran Families program.

Second, those steady declines were the result of a very intentional and concerted effort by the federal government, in partnership with local communities, to oversee efforts to identify Veterans experiencing homelessness and quickly connect them to housing and other services. Between 2010 and 2016, HUD and VA, with support from the US Interagency Council on Homelessness and other federal agencies, made ending homelessness a top priority where the Secretaries of HUD and VA directly oversaw interagency implementation efforts, setting and tracking performance metrics, and ensuring that agency staff worked with urgency and speed to troubleshoot implementation challenges. During those years, HUD, VA, and USICH aggressively implemented the Housing First approach that calls for the rapid connection to permanent housing without treatment or services preconditions and where the focus of services is to reduce barriers to housing admission and retention. The 17% decline in Veteran homelessness achieved from 2015 to 2016 coincides with the launch and implementation of the Mayors Challenge to End Veteran Homelessness, in which the federal government engaged and supported local and state leaders to work aggressively to reduce Veteran homelessness.

In other words, we know that the successful recipe for solving homelessness among Veterans is the combination of investments in evidence-based programs and focused implementation by the federal government alongside community leaders and partners.

Unfortunately, between 2016 and 2020, progress towards ending Veteran homelessness has stalled. In those years, the trendline shows that Veteran homelessness has remained relatively flat. Unsheltered homelessness among Veterans has been steadily increasing.

If Veteran homelessness had declined by an average of 10% between 2016 and 2020 as it did between 2010 and 2015, one might have seen fewer than 20,000 Veterans homelessness when COVID-19 arrived. If the nation had achieved a continued trajectory of the 17% decline achieved between 2015 and 2016, we might have had under 10,000 Veterans experiencing homelessness when COVID-19 arrived. Instead, we had more than 37,000.

Unfortunately, COVID-19 has also impacted our ability to measure and collect data on Veteran homelessness. As members of this committee are aware, HUD gave communities the flexibility to modify or opt-out from an unsheltered homelessness count for the 2021 annual Point-in-Time count due to the risks and dangers of having hundreds of staff and volunteers in communities canvassing the streets this past January while COVID-19 transmission rates were high. As a

result, our 2021 Point-in-Time count data will not provide a comparable data point regarding the point-in-time prevalence of Veteran homelessness. Instead, we will likely need to make inferences about how COVID-19 has affected the prevalence of Veteran homelessness based on those communities that did conduct an unsheltered count, as well as by examining VA and HUD program data.

While our visibility into the current prevalence of Veteran homelessness is limited due to the impacts on the 2021 Point-in-Time count, our working assumption is that Veteran homelessness did not decrease significantly during the year. There is HUD and VA program level data that indicates the number of Veterans exiting from homelessness into permanent housing during 2020 have not kept pace with prior years. This is reflected in our data on HUD-VASH performance, which shows that utilization of vouchers is lower than optimal, at 76%. There are many reasons for this lower utilization, but we believe COVID-19 and related low vacancy rates in the rental market are two driving factors.

HUD Actions to Address Veteran Homelessness During COVID-19

Data is not the only thing that COVID-19 has affected. COVID-19 has added challenges for people experiencing homelessness, including Veterans, and the people and programs that serve them. In addition to the challenges of identifying and quickly re-housing Veterans experiencing homelessness, communities also had to provide Veterans experiencing homelessness with protections against COVID-19 transmission and illness. Continuums of Care (CoCs) and VA homeless program staff sprang into action, increasing disinfection within congregate shelters and programs, providing clients and front-line staff with PPE, and also increasing physical distancing in congregate shelters in compliance with CDC guidance. Communities identified and leased hotels and dormitories to function as non-congregate shelter and move people experiencing homelessness into these separate rooms, while increasing bed spacing in congregate shelters. With the development of COVID-19 vaccines, CoCs and VA worked together to bring COVID-19 vaccines to people experiencing homelessness.

During this time, CoCs and VA homeless programs continued efforts to re-house Veterans and other people experiencing homelessness, but our data shows that re-housing activities were negatively impacted by COVID-19. COVID-19 hindered housing search and navigation activities, affecting everything from in-person housing interviews, the collection of documents needed to determine eligibility for programs, and even the delivery of checks for security deposits and rent payments. COVID-19 also appears to have reduced vacancy rates in the rental market.

HUD took several steps during the public health emergency to assist communities with their response to homelessness, including among Veterans, during COVID-19:

- Guidance on COVID-19 response – In partnership with CDC, HUD has been providing guidance and technical assistance to CoCs regarding ways to protect people experiencing homelessness from COVID-19 transmission and illness, including accessing COVID-19 testing and vaccines.

- Waivers and regulatory flexibility – HUD has extended a variety of waivers for the CoC and Emergency Solution Grants Programs to provide flexibility to recipients to help prevent the spread of COVID-19 amongst people experiencing and at risk of homelessness and to better assist them in obtaining and maintaining housing. This includes flexibilities to ensure that document collection and housing inspections are not barriers to initial housing entry, that allow CoC Program funds to be used to cover past rental arrears as necessary to help a household obtain housing, and to cover longer-term rental assistance in rapid re-housing projects. HUD also extended waivers to public housing agencies (PHAs) for HUD-VASH and voucher programs to reduce administrative requirements and allow them to continue to focus on the most critical work of continuing to house people in need of housing assistance, including giving PHAs the option to have more time for initial housing inspections and to complete biennial inspections.
- Emergency funding - HUD provided \$3.96 billion in additional funds from the CARES Act for the Emergency Solutions Grant (ESG) Program. These funds have been provided to help communities cover costs associated with COVID-19-related responses for people experiencing homelessness, along with additional costs in traditional allowable uses under the ESG Program - street outreach, emergency shelter, and short- and medium-term rental assistance along with housing stabilization services for people at risk of and experiencing homelessness. HUD also provided PHAs with \$1.25 billion in CARES Act funding to assist them to prevent, prepare for, and respond to COVID-19, including for PHAs to maintain normal operations and take other necessary actions during the period the program is impacted by COVID-19. This includes \$400 million to help PHAs assist households—including HUD-VASH recipients—to remain safely housed, as well as \$850 million for additional administrative fees for PHAs.

HUD-HHS Joint Effort to Vaccinate People Experiencing Homelessness and HUD-Assisted Households

As part of the Administration’s effort to equitably deliver COVID-19 vaccines to Americans, HUD is pursuing a joint effort with HHS to bring COVID-19 vaccinations to people experiencing homelessness and people living in HUD-assisted housing, including Veterans currently or formerly experiencing homelessness. On April 30, Secretary Fudge and HHS Secretary Becerra issued a joint letter calling on PHAs, CoCs, and HUD-assisted housing owners to partner with community health centers in the COVID-19 Health Center Vaccine Program to bring vaccines to HUD-assisted households and people experiencing homelessness, including through pop-up vaccine clinics and mobile vaccination efforts. HUD published a toolkit outlining ways that HUD funding can supplement health center resources to implement vaccine clinics, as well as conduct outreach and education and support staffing. To date, HUD’s field and regional offices have assisted health centers, PHAs, housing owners, and Continuums of Care to conduct facilitated over 140 vaccine clinics for HUD-assisted households and people experiencing homelessness with many more planned over the coming weeks.

Historic Opportunities to Address Homelessness through the American Rescue Plan

I want to be clear, however, that, while increasing physical distancing through non-congregate shelter and providing vaccines have been critical to protecting Veterans experiencing homelessness from COVID-19, the best way that we can protect and assist Veterans and other people experiencing homelessness is through the safety and stability of a home. As we find ourselves in a different place from the pandemic a year ago, we need to help communities get back to the core work of re-housing Veterans experiencing homelessness into stable homes.

Fortunately, we have a historic opportunity to help communities make significant progress in reducing homelessness through the resources provided in the American Rescue Plan. Just last week, HUD awarded the initial tranche of funds for 70,000 emergency housing vouchers provided through the American Rescue Plan to re-house people experiencing and at-risk of homelessness, including people fleeing domestic violence and human trafficking. This will include Veterans experiencing homelessness, especially those who do not qualify for HUD-VASH. For these vouchers, HUD has required public housing authorities to partner with CoCs and develop processes for prioritizing the highest need households. We will provide additional messaging and guidance to encourage communities to ensure that Veterans experiencing homelessness will be considered for these vouchers, alongside existing HUD-VASH. In addition, HUD and VA are working to expand HUD-VASH eligibility to Veterans with other-than-honorable discharge status based on the authority we received in the National Defense Authorization Act for Fiscal Year 2021 (P.L. 116-283).

However, there are growing challenges with identifying units on the private rental market that can be leased using vouchers and tenant-based rental assistance like HUD-VASH and emergency housing vouchers. Earlier this year, HUD also awarded \$5 billion in grants under the HOME Investment Partnerships program to communities to further support their efforts to respond to homelessness, including by developing new permanent supportive housing and affordable housing units to serve people experiencing homelessness, including Veterans. We believe that these funds will help communities add tens of thousands of additional dedicated housing units for people experiencing homelessness.

Secretary Fudge and Secretary McDonough's Joint Statement on Ending Veteran Homelessness

The resources in the American Rescue Plan will be a game-changer for efforts to address homelessness. However, as we saw with the trends on Veteran homelessness, resources are critical, but alone do not result in reductions in homelessness. Resource investments must be paired with leadership and focused implementation efforts to have the greatest impacts. Recognizing this, Secretary Fudge and Secretary McDonough met and agreed to explicitly make ending Veteran homelessness a top priority for our respective agencies. The joint statement they issued in April reflects this commitment and charges staff at HUD and VA to work collaboratively to identify the set of actions needed to continue to achieve reductions in Veteran homelessness, with the ultimate goal of ending Veteran homelessness.

In addition, the joint statement also recognizes that our strategy to achieve further reductions in Veteran homelessness will require new types of approaches and new types of thinking. Specific efforts will be needed to reach Veterans that prior efforts have not reached—for example, Veterans with other than honorable discharge status and women Veterans—as well as to address Veteran homelessness in communities where the numbers are particularly high. In other words, our efforts to reduce Veteran homelessness going forward will require using many scalpels rather than a few hatchets. However, we are committed to focusing staff time and expertise towards this approach. With Secretary Fudge and Secretary McDonough having been elected to Chair and Vice Chair of the U.S. Interagency Council on Homelessness, we also look forward to working closely with other federal partners, including the other 17 members of the Council.

Thank you again for this opportunity to speak with you and I would be happy to answer any questions.