



SAN DIEGO  
HOUSING  
COMMISSION

**Statement for the Record**  
**Subcommittee on Economic Opportunity Field Hearing**  
**submitted to the**  
**Subcommittee on Economic Opportunity**  
**Committee on Veterans' Affairs**  
**U.S. House of Representatives**  
**May 2, 2023**

Chair Van Orden, Ranking Member Levin, and Members of the Subcommittee:

The San Diego Housing Commission (SDHC) thanks you for the opportunity to provide comment to the Subcommittee on Economic Opportunity (Subcommittee).

Addressing veteran homelessness continues to be a high priority in the City of San Diego, as reflected in the Community Action Plan on Homelessness for the City of San Diego and the collaboration of multiple local organizations participating in the national Built for Zero initiative to end veteran homelessness.

Veterans Affairs Supportive Housing (VASH) vouchers are essential resources to create housing solutions for veterans experiencing homelessness. VASH vouchers are among the diverse resources SDHC has used through its homelessness action plan, HOUSING FIRST – SAN DIEGO. Since it launched November 12, 2014, HOUSING FIRST – SAN DIEGO has created more than 10,900 housing solutions for individuals and families experiencing homelessness or at risk of homelessness in the City of San Diego, including veterans. This includes the “Housing Our Heroes” initiative, which between March 1, 2016, and September 28, 2017, helped secure housing for 1,000 veterans experiencing homelessness. HOUSING FIRST – SAN DIEGO programs provide a continuum of housing solutions to address different needs, including homelessness prevention and diversion, rapid rehousing, landlord engagement and assistance, and permanent supportive housing.

SDHC currently administers 1,310 VASH vouchers to help pay rent for veterans experiencing homelessness in the City of San Diego. Of that total, 1,102 are leased, 107 are issued to recipients currently searching for housing, and 101 are currently unused. SDHC intends to submit a request for additional VASH vouchers through the U.S. Department of Housing and Urban Development’s (HUD) current registration of interest opportunity.

SDHC uses a portion of VASH voucher administrative funding to support leasing incentives and housing placement costs. SDHC’s Landlord Partnership Program (LPP) provides financial and support incentives to landlords who rent to Section 8 Housing Choice Voucher program participants in the City of San Diego. SDHC’s Landlord Engagement and Assistance Program (LEAP) provides similar incentives and support for landlords who rent to individuals and families experiencing homelessness. These programs assist SDHC’s efforts to help VASH participants secure housing in a timely manner in safe, decent and quality dwelling units.

However, numerous challenges affect SDHC's ability to attain its goal of 100 percent utilization rate for VASH vouchers. Historically, SDHC has received insufficient referrals from the U.S. Department of Veterans Affairs (VA), whose utilization goal is 90 percent. This hinders SDHC's ability to fully utilize all VASH vouchers in a timely manner. The VA recently stated that the Department will be reducing or ceasing referrals due to the number of veterans with VASH vouchers who are currently searching for housing; the VA prefers for existing, issued VASH vouchers to be leased up before it refers additional veterans.

In addition, SDHC's experience has demonstrated that VASH vouchers are best for low-acuity individuals who do not need a high level of health care, such as in-home care or assisted living. VASH vouchers do not cover the housing portion of costs in these types of living situations for high-acuity veterans who need that type of higher level of care.

To address these challenges, SDHC provides the following recommendations for potential solutions:

- Provide funding for higher exception payment standards or the creation of a payment standard specific to assisted living. The payment standard is the maximum subsidy payment that a federal rental housing voucher, including VASH, would pay for an apartment or rental house, minus the applicable portion of the contract rent that the tenant pays.
- Increase funding for public housing authorities to onboard, provide support services to, and house veterans experiencing homelessness, with the ability to then transfer case management to the VA for ongoing supportive services with the Department committing to provide ongoing case management to high-acuity veterans.
- Expand the VA's contract with People Assisting the Homeless (PATH) – which will administer referrals, housing placement, and supportive services for approximately 100 to 200 County of San Diego VASH recipients – to include both the City of San Diego and the City of Oceanside so that the entire San Diego region prioritizes VASH voucher outreach and utilization.
  - Note, the last report indicates the VA is staffed at over 90 percent and that VA funding is available for services together with hundreds of unused VASH vouchers.
- Create additional models/programs like HUD-VA Supportive Housing and Assisted Living Facilities Model. These will provide use of the VASH voucher at housing locations with additional services to increase the housing success rate of veterans with higher needs.
- Mandate contracting when 15 percent of allocated VASH vouchers are unused in the previous fiscal year even when there are no case management positions open and/or if utilization rate goals are not met.
  - In January 2021, Congress passed the Johnny Isakson and David P. Roe, M.D. Veterans Health Care and Benefits Improvement Act of 2020. Section 4207 of this law made contracting mandatory for any HUD-VASH program when 15 percent of their allocated housing vouchers during the preceding fiscal year were unused, and when they had one or more case manager positions that were vacant for at least nine consecutive months. This new mandate went into effect at the start of Fiscal Year 2022.
- Lastly, further expand VASH eligibility to include Dishonorable and Bad Conduct Discharges to allow vouchers to assist some remaining currently ineligible veterans experiencing homelessness.

Thank you for your consideration of these important issues.

Sincerely,

A handwritten signature in black ink, appearing to read "Azucena Valladolid". The signature is fluid and cursive, with the first name "Azucena" written in a larger, more prominent script than the last name "Valladolid".

Azucena Valladolid  
Executive Vice President of Rental Assistance and Workforce Development  
San Diego Housing Commission