

SUMMARY OF RECOMMENDATIONS

1. Fully fund McKinney – Vento Homeless Assistance Grant Programs
2. Provide dedicated sources of funding for the National Housing Trust Fund
3. Increase the number of HUD low-income housing units and protect tenants in any reforms to HUD housing programs
4. Prevent State and Local Housing Authorities from enacting barriers to eligibility for public housing
5. Restore the requirement for a one-to-one replacement of low-income housing units
6. Ensure access to affordable housing with a full range of supportive services for people experiencing homelessness
7. Ensure integration of employment and asset building programs into supportive housing programs
8. Support public and private initiatives that keep people from becoming homeless
9. Provide comprehensive and stable funding for medical respite programs

Affordable housing shortages serve as the major barrier to the elimination of homelessness.

The cost of housing is increasingly out of reach for low-income renters. While the Federal minimum wage has risen only nominally to \$7.25 per hour, housing costs have risen much faster across the nation over the past decade. Nationwide, 9.8 million extremely low income renter households (those earning 30% or less of their area's median family income) compete for 5.5 million rental homes they can afford, creating a shortage of 4.3 million affordable units. Even so, affordable does not mean available. Higher income renters occupy the most affordable units leaving a true deficit of 6.8 million units that are both *affordable* and *available* to extremely low income renters.¹ Currently, there is no jurisdiction in the U.S. where a minimum wage worker can afford even a one-bedroom apartment at fair market rent. A person working full time must earn an hourly wage of \$18.25 to rent an average two-bedroom apartment.²

Extremely low income renters have faced the tightest market for affordable housing since 1985.

In fact, only 30 units of adequate, affordable rental housing are available for every 100 extremely low-income renters. Consequently, nearly 70% of extremely low-income households spend over half of their income on housing, which exceeds HUD's affordability standard.³

While many households are currently burdened with extremely high housing costs, many others have lost their housing altogether, making competition for limited housing opportunities

even more difficult. The U.S. Department of Housing and Urban Development (HUD) estimates approximately 1.6 million people were homeless in 2010, but this number does not include those families and individuals living with family and friends due to economic hardship (i.e., "doubled up").⁴ While a more precise count of homelessness is difficult to obtain, the U.S. Department of Education counted just over one million children experiencing homelessness in the school system, and Federally Qualified Health Centers also served over one million patients experiencing homelessness (with very little overlap between these two populations). Both these systems include those "doubled up" for economic hardship in their homeless definition.

HUD rental assistance programs are insufficient to meet the growing demand for subsidized housing reserved for people who have extremely low-incomes. While HUD administers a number of affordable housing programs, only three programs target extremely low income individuals and families (other programs would require these families to pay more than 30% of their income).⁵ These programs include: public housing, project-based rental assistance, and tenant-based rental assistance. Waiting lists for these

programs often leave people without adequate housing for years. As a result, people find themselves doubled up with friends or families or in emergency shelters as they wait. In fact, HUD found that the number of people doubling up with other households increased by 25% from 2005 to 2009.⁶

The increase in home foreclosures recently has also contributed to homelessness. In 2009, an average of 19% of the people using homeless services was evicted from a foreclosed household they were either renting or purchasing.⁷ In fact, most of the homeless service providers surveyed in 2009 said that they were serving clients who were homeless because the home they were occupying had been foreclosed upon.⁸

Housing is health care. Homelessness causes medical problems, greatly exacerbates existing illness, and seriously complicates treatment. People without homes are exposed to the elements, the violence of the streets, diseases that are rampant in overcrowded shelters, and the debilitating effects of poor diet and lack of rest. A person experiencing homelessness lives an average lifespan of 47 years and is 3 to 4 times more likely to die prematurely than their housed counterparts.⁹ Stable, sanitary housing is central to effective health care. For example, mounting evidence suggests that housing status is itself a stronger predictor of HIV risk and health outcomes than individual characteristics.¹⁰ Local, State, and Federal leaders must target housing assistance to people experiencing homelessness, assist those with the greatest housing needs, and change the housing policies that reduce the supply of affordable housing and produce homelessness.

Policy Recommendations in Detail

1. Fully fund McKinney-Vento Homeless Assistance Grant Programs

The McKinney-Vento Homeless Assistance Grant Program is the federal government's primary homeless assistance and prevention program. It provides grant assistance for a range of services including the Continuum of Care Program which supports supportive housing programs and the Emergency Solutions Grant Program which supports emergency shelters and the Homeless Prevention and Rapid Re-housing Program. At a time of record unemployment, rising foreclosures, and increased homelessness, programs supported through the McKinney-Vento Homeless Assistance Grant Program need adequate funding to support the renewal of all grants and further expand the program.

2. Provide dedicated sources of funding for the National Housing Trust Fund (NHTF)

The NHTF was established in the Housing and Economic Recovery Act of 2008 but was never funded due to the collapse of housing market. When funded, the NHTF will provide funding to build, preserve, and rehabilitate predominantly extremely low-income rental housing, a need that is not adequately addressed by current programs. We urge Congress to capitalize the NHTF through discretionary spending and to identify a dedicated source of ongoing funding, independent of annual discretionary funding.

3. Increase the number of HUD low-income housing units and protect tenants in any reforms to HUD housing programs

The three main low-income housing programs within HUD (Tenant-Based Rental Assistance, Project-Based Rental Assistance, and Public Housing) have been under assault for years, with over 500,000 units lost since 1995.¹¹ Many policy decisions have led to this decline in affordable housing stock, mostly due to insufficient funding. The neglect of the public housing capital fund has resulted in units falling into disrepair and becoming uninhabitable. Additionally, project-based housing units have not had their contracts renewed and tenant-based voucher funding has not kept up with increases in rent needed to renew all vouchers. We urge Congress to reverse this trend and preserve and increase the number of units in these programs.

In addition to funding decisions, reforms to the HUD low-income programs have also been repeatedly introduced in Congress. While we support many reforms that streamline the program, improve income targeting and other reforms that do not harm tenants, we strongly oppose some provisions that have been suggested. Specifically, we oppose the unlimited expansion of the Moving to Work Demonstration Project which provides almost unlimited latitude to Public Housing Authorities with little protections for tenants. Additionally, the imposition of time limits or minimum rents in HUD subsidized housing programs is ineffective at improving self-sufficiency and will increase homelessness. Any reform to low-income housing programs should not include such provisions.

4. Prevent State and Local Housing Authorities from enacting barriers to eligibility for public housing.

States and localities should not be creating additional barriers to accessing public housing programs; however, many jurisdictions enact regulations or other rules that evict current tenants or prevent future applicants from qualifying for housing. These have included banning any unregistered guests or those with felony convictions from the property (thus preventing family engagement or reconnection) or disqualifying those with any felony or misdemeanor charge in their background. While these rules are often intended to reduce criminal activity, they often have the opposite effect. Indeed, ex-offenders without stable housing are more likely to return to prison than those with stable housing arrangements.¹²

5. Restore the requirement for a one-to-one replacement of low-income housing units

Many states and cities, with Federal support, are replacing outdated public housing units and unsightly high-rise buildings with more attractive and community-oriented buildings. These new developments are usually mixed-income with only a fraction of the new units dedicated to low-income individuals and families. This reduction in the affordable public housing stock only increases the incidence of homelessness; cities and states must strictly prohibit the loss of public housing units. Necessary public housing renovation should provide for replacement of low-income units – onsite or in the neighborhood – on at least a one-to-one ratio, and planning for renovations must always involve the residents affected.

6. Ensure access to affordable housing with a full range of supportive services for people experiencing homelessness.

The human right to housing should be assured for homeless individuals and families through a range of options based upon the populations served as well as client choice. Permanent and transitional housing combined with a full array of services should be available as long as needed to keep people stably housed and off the streets. Housing combined with supportive services reduces public costs and leads to greater life stability and housing tenure for people experiencing homelessness.¹³ Beyond housing coupled with recovery-driven services, Congress should also expand models that eliminate preconditions to housing and ensure immediate access regardless of compliance in any particular form of treatment. Such approaches – which provide a range of optional services – have proven effective in ending homelessness even for individuals with complicated health-related problems including addiction, mental illness, and HIV/AIDS. Success in housing requires sufficient availability of affordable units, adequate funding for flexible and integrated supportive services, and high-quality property management.¹⁴

Consistent with the strategies outlined in the *Federal Strategic Plan to Prevent and End Homelessness*, we urge HUD and HHS to encourage partnerships between housing providers and health and behavioral health care providers to co-locate or coordinate health, behavioral health, safety, and wellness services with housing and create better resources for providers to connect patients to housing resources.¹⁵ HHS should also build upon successful service delivery models to provide services in the homes of people who have experienced homelessness, including Medicaid-funded Assertive Community Treatment Teams for those with behavioral health needs.

7. Ensure integration of employment and asset building programs into permanent supportive housing programs.

Currently, most mainstream employment programs, including those available through SSA and the Workforce Investment Act, do not have structures in place to target people who are experiencing homelessness. Processes should be put in place to reach out and expedite support for people who are experiencing homelessness or who live in supportive housing. The Workforce Investment Act, designed to help all Americans prepare for employment and re-enter the workforce, could be expanded to include funding for counselors who could work in collaboration with homeless health and behavioral health care and housing providers to assist currently and formerly homeless individuals access employment opportunities.

The U.S. Department of Labor should ensure that communities utilize a variety of models in order to meet individual employment needs. People experiencing homelessness have benefited from employment models such as Individual Placement and Support (supported employment), transitional jobs, alternative staffing,

and customized employment. Employment counselors working with people who have histories of homelessness should be able to describe available models and assist individuals in identifying the most appropriate option for their needs. Exiting poverty requires more than employment. Financial education and asset-building initiatives should be integrated into employment programs in order to build the financial decision making skills needed to exit poverty, access housing, and maintain housing stability.

The various resource rules associated to entitlement and benefit programs can be confusing and can discourage savings and asset building, which can delay or prevent independence and housing stability. Resource rules associated with the federal entitlement programs should be streamlined to minimize confusion by recipients. Additionally, financial education and asset building programs should include efforts to allay fears related to resource tests and loss of entitlements.

8. Support public and private initiatives that keep people from becoming homeless.

We urge policy makers to support regulatory mechanisms such as rent control, vacancy decontrol and inclusionary zoning laws to shield tenants against the market forces that cause displacement. Laws that protect tenants from unfair evictions and high rent increases should be enacted or restored. Further, we urge public officials to pursue initiatives to protect low-income housing against “gentrification” and to support tenant organizing by enforcing the laws that protect tenants against harassment or threat of eviction for joining a tenant association. Because there is not enough public housing to meet current needs, we urge the creation of more “socially owned” housing, such as limited equity cooperatives and condominiums, where buildings are collectively owned by their residents and remain affordable to future owners. Local communities should expand nonprofit ownership alternatives, such as community development corporations that own and develop non-speculative, permanently affordable housing. It is time for policy makers to treat housing as a right rather than merely a business venture.

9. HUD should collaborate with HHS to provide comprehensive and stable funding for medical respite programs.

Medical respite programs provide short-term residential care that allows homeless individuals to rest while receiving medical care for acute illness or injury. These programs offer hospitals an alternative to discharging patients to the streets while ensuring that the medical care received in a hospital or clinic setting is not compromised due to unstable living situations. Combined with housing placement services and effective case management, medical respite care allows individuals with complex medical and psycho-social needs to recover from an acute medical condition in a stable environment while reducing future hospital utilization.

Without adequate funding to pay for both the staffing and housing component, existing medical respite programs are challenged to find local funding sources, often with uncertain continuity or longevity. Concerns about stable funding serve as a barrier for many communities attempting to start new programs. Medical respite programs contribute to the overall goals of a number of federal agencies, facilitate stable housing, improve physical and behavioral health outcomes, and serve a large demographic (including veterans). Medical respite care is included in the Federal Strategic Plan to Prevent and End Homelessness as a strategy to integrate health and housing services. To this end, HUD and HHS should coordinate more systematic funding for medical respite care programs.

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