

SUMMARY OF RECOMMENDATIONS

1. **Appropriate \$2.372 billion for McKinney – Vento Homeless Assistance Grant Programs**
2. **Provide dedicated sources of funding for the National Housing Trust Fund**
3. **Secure at least 200,000 new vouchers in FY 2012 and enact the Section 8 Voucher Reform Act (SEVRA)**
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 preconditions to housing and provide immediate access regardless of treatment compliance**
7. **Support public and private initiatives that keep people from becoming homeless**
8. **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, 9.2 million extremely low income renter households (those earning 30% or less of their area's median family income) compete for 6.1 million rental homes they can afford, creating a shortage of 3.1 million affordable units. 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 \$18.44 to rent an average two-bedroom apartment.

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

In fact, only 32 units of adequate, affordable rental housing are available for every 100 extremely low-income renters. Even when affordable rental units are introduced, they often become occupied by higher income tenants. Indeed, higher income renters occupy about 42 percent of the units that are affordable to extremely low-income renters.¹ Consequently, more than 70% of extremely low-income households spend over half of their income on housing, which exceeds HUD's affordability standard.

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 2009, but this number does not include those families and individuals living with family and friends due to economic hardship (i.e., "doubled up").² 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's 1.16 million units of public housing are insufficient to meet the growing demand for subsidized housing reserved for people who have extremely low-incomes. Waiting lists 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 2009.³

The increase in home foreclosures recently has also contributed to homelessness. In 2009, an average of 19% of the people using homeless services were evicted from a foreclosed household they were either renting or purchasing.⁴ 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.⁵

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.⁶ 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.⁷ 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. Appropriate \$2.372 billion for HUD McKinney Homeless Assistance 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. We recommend that Congress support the President's FY2012 budget request of \$2.372 billion to support HUD's Homeless Assistance Grant Program. This represents a 21% increase over the FY2010 level which is needed to fully implement the solutions described in the HEARTH Act which amended and expanded the McKinney-Vento Homeless Assistance Grant Program.

2. Provide dedicated sources of funding for National Housing Trust Fund

The NHTF will build, preserve, and rehabilitate 1.5 million units of housing affordable to low-income people over the next ten years. The Obama Administration included \$1 billion in its FY 2012 budget request to capitalize and launch the NHTF to help prevent homelessness and preserve families. We urge Congress to support the Administration in this effort. We also urge Congress to support any efforts that would provide a dedicated source of funding for the NHTF.

3. Preserve and increase current publicly assisted housing

Secure at least 200,000 new Section 8 Housing Choice vouchers in FY 2012. The voucher program (also known as Section 8 tenant-based rental assistance) provides rental assistance to 2 million low-income individuals and families. Seventy-five percent of vouchers are targeted to individuals and families who have incomes at or below 30% of area median income making the majority of people experiencing homelessness eligible for the program. Despite the growing demand for housing assistance, more than 10,000 public housing units leave the federal housing inventory annually.⁸ We recommend that Congress authorize funding for 200,000 new vouchers for people who need them in order to exit poverty and homelessness.

Enact the Section 8 Voucher Reform Act (SEVRA) to improve the Housing Choice Voucher program for tenants and housing authorities. SEVRA would permanently authorize a formula that bases voucher funding on an agency's costs from the previous year, adjusted for inflation and other factors. This establishes a more reliable funding mechanism that has enabled agencies to restore vouchers that were lost in the past due to flawed formulas. SEVRA also eliminates caps on the number of families that agencies can assist with available funds. Agencies would be permitted to use savings to subsidize more vouchers and include those costs in the formula for determining the agency's funding for the next year. Other changes that would take effect with the passage of SEVRA include: streamlining calculation of tenant rent payments, protections for tenants when property owners face financial difficulty, and stable funding for the Family Self-Sufficiency program which encourages work and savings among voucher holders. While we support many of the

provisions in SEVRA, we do not support identification requirements for people seeking housing assistance. Whether lost or stolen, many people who are experiencing homelessness are without identification. Unable to prove residency and/or afford the cost of a replacement, many people who urgently need assistance are forced to wait. In fact, a national survey conducted by the National Law Center on Homelessness and Poverty found that 54% of the individuals surveyed claimed to have been denied access to shelters or housing services due to identification requirements.⁹ We also oppose the expansion of the Movement to Work demonstration (renamed Housing Innovation Program) without further evaluation and stronger oversight. The Movement to Work demonstration permits housing agencies to waive certain federal regulations in order to test innovative housing policies. It also permits housing agencies to shift funds between voucher and public housing programs. Experimental policies such as increases in rent and limits on assistance could be detrimental to people who are attempting to exit homelessness.

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.¹⁰

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.

A number of local and state housing authorities have made efforts to maintain and increase affordable housing units by requiring terms of affordability on properties and projects developed using government subsidies. When the term of affordability expires, owners of these properties are able to convert their units to market rate thus reducing the supply of affordable housing available in their community. The Housing Preservation and Tenant Protection Act of 2010, which passed in the House of the 111th Congress would have provided resources and incentives to prevent loss of these affordable housing units through grants, loans, a Preservation Exchange Program, and vouchers. The bill would have also prevented the displacement of low-income tenants, preserved rural housing, and would have established a national database that would enable policymakers and the public to monitor and preserve the existing portfolio of affordable housing. We recommend that Congress support future efforts to ensure that people who have low-incomes can continue to live in properties that are nearing the end of their term of affordability.

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. Housing should be considered “permanent” with a full array of “transitional” services 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 for people experiencing homeless.¹¹ 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.¹²

We recommend that Congress support \$85 million to implement the Housing and Services for Homeless Persons Demonstration. The Demonstration would match 10,000 Housing Choice Vouchers with existing Medicaid and TANF services and other support services financed through SAMHSA. Four thousand Housing Choice Vouchers would target individuals who are chronically homeless. Another 6,000 Housing Choice Vouchers will serve families with children. The Housing and Services for Homeless Demonstration supports the activities described in the Federal Strategic Plan to Prevent and End Homelessness.

7. 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.

8. 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.

Notes

¹ U.S. Department of Housing and Urban Development. (February 2011). Worst Case Housing Needs 2009: Report to Congress. <http://www.huduser.org/portal/Publications/pdf/WorstCaseNeeds2009Summary.pdf>

² U.S. Department of Housing and Urban Development. (June 2010). Annual Homeless Assessment Report to Congress. <http://www.huduser.org/publications/pdf/5thHomelessAssessmentReport.pdf>

³ Collinson, R. & Winter, B. (January 2010). U.S. rental housing characteristics: supply, vacancy, and affordability. HUD PR&R Working Paper 10-01. Washington, DC: U.S. Department of Housing and Urban Development.

⁴ National Coalition for the Homeless, et al. (2009). National Foreclosure to Homelessness: The Forgotten Victims of the Subprime Crisis. http://www.nhchc.org/JUNE_23_FINAL_Foreclosure_to_Homelessness_2009.pdf

⁵ Ibid.

⁶ O’Connell, James. (2005). Premature Mortality in Homeless Populations: A Review of the Literature. <http://www.nhchc.org/PrematureMortalityFinal.pdf>

⁷ Aidala, A. (November 2007). Columbia University. “Risky Persons vs. Contexts of Risk – Housing as a Structural

Factor Affecting HIV Prevention and HIV Care.”

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⁸ National Low Income Housing Coalition. (December 3, 2010). Memo to Members: Vol 15, No. 46.

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⁹ National Law Center on Homelessness and Poverty. (April 2004). Photo Identification Barriers Faced by Homeless Persons: The Impact of September 11.

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¹⁰ Metraux, S. and Culhane, D. (2004). Homeless Shelter Use and Reincarceration Following Prison Release: Assessing the Risk. *Criminology & Public Policy*, 3(2).

¹¹ Corporation for Supportive Housing (2009). Frequent Users of Public Services: Ending the Institutional Circuit.

<http://documents.csh.org/documents/pubs/FUFBookletFINAL1209.pdf>

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