



Housing Assistance Council

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Statement of

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before the Committee on Banking, Housing, and Urban Affairs,

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Chairman Dodd, Ranking Member Shelby, Senator Reed, and members of the Committee, thank you for inviting the Housing Assistance Council to offer testimony on S. 1518, the Community Partnership to End Homelessness Act, and the resources that are needed to address homelessness effectively in rural communities.

My name is Moises Loza and I am the Executive Director of the Housing Assistance Council, a national nonprofit dedicated to improving housing conditions for low-income rural Americans.

The Housing Assistance Council (HAC) was established in 1971 to provide financing, information, and technical services to nonprofit, for-profit, public, and other providers of rural housing. HAC strives to meet the housing needs of the rural poor by working in close partnership with local organizations throughout the nation, including providers of housing and services for homeless rural Americans. HAC has worked in rural communities throughout the nation.

I would like to begin with a brief overview of rural homelessness.

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OVERVIEW OF RURAL HOMELESSNESS

Although homelessness is widely viewed as an urban problem, rural individuals and families also experience both literal homelessness and extremely precarious housing situations. Literal homelessness, the condition of living on the street or in a shelter, is often episodic and less common (although still occurring) in rural areas than in cities due to kinship networks and the lack of service providers and resources. HAC's local partners have often reported and research has shown that homeless people in rural areas typically experience precarious housing conditions, moving from one extremely substandard, overcrowded, and/or cost-burdened housing situation to another, often doubling or tripling up with friends or relatives.¹

Recent HAC analysis of 2005 American Housing Survey (AHS) data highlights the large number of rural residents who are precariously housed (Table 1). For instance, over 6 million rural households experience a precarious housing condition, threatening their ability to achieve housing stability, and placing them at risk of homelessness.

Table 1. Precariously Housed Rural Households

Housing Characteristic	Number of Housing Units
Severe Cost Burden	3,244,325
Poor Quality	1,683,322
Crowding	445,430
Multiple Housing Problems	694,798
Total	6,067,875

Source: HAC Tabulations of AHS, 2005

¹ Patricia Post, *Hard to Reach: Rural Homelessness & Health Care* (Nashville: National Health Care for the Homeless Council, 2002); Housing Assistance Council, *Information Sheet on Rural Homelessness* (Washington, D.C.: HAC, 2006).

Homelessness is the most severe manifestation of poverty. In rural communities, poverty remains a stubborn problem, particularly among minorities, female-headed households, and children. More than 7.5 million or 14.2 percent of all rural households were poor in 2003, as compared to less than 12.5 percent of the rest of the United States. It is estimated that there are more than 750,000 persons homeless in the U.S. on any given night.² Based on conservative estimates, 9 percent of the homeless population lives in rural areas.³

The ability of rural community organizations to meet the needs of homeless persons in rural areas has often been hindered by geographic, programmatic, and organizational capacity constraints. For instance, many rural communities lack a system to meet emergency housing needs, and several structural issues limit the creation of these resources in rural areas. Such issues include:

- △ ***Community Awareness and Support.*** Since rural homeless people do not usually sleep outside, in emergency shelters, or in visible spaces, there may be a perception that this problem does not exist in rural communities. This lack of awareness can lead to reluctance to address the problem adequately.

- △ ***Access to Services.*** Rural areas have fewer service providers, and people may have to travel long distances where service providers are available. The service providers that

² National Alliance to End Homelessness, *Homelessness Counts* (Washington, D.C.: NAEH, 2007); U.S. Department of Housing and Urban Development, *Annual Homeless Assessment Report to Congress* (Washington, D.C.: HUD, 2007).

³ Martha R. Burt, et al., *Homelessness: Programs and the People They Serve, Findings of the National Survey of Homeless Assistance Providers and Clients* (Washington, D.C.: Urban Institute, 1999).

exist in rural communities differ from their urban counterparts; they tend to provide less shelter and housing than prevention, outreach, food, and financial assistance.

Small, dispersed populations make it more expensive to serve the rural homeless than those in areas with denser populations. In addition, the range of homeless persons' needs is just as great in rural areas as in cities.⁴ Homeless assistance resources are usually targeted to places with the largest and most visible populations, further challenging rural providers.

- △ ***Assessing Need.*** There is no national survey that comprehensively quantifies the number of rural homeless persons in the United States. Much of the homeless literature surveys metro and nonmetro service providers to document characteristics of the homeless population. This method is insufficient in characterizing rural homelessness since this population has less access to service providers, most likely resulting in a rural undercount. The difficulty of enumerating homeless persons leads to challenges in quantifying need, ultimately hindering policy and funding attention to this problem.

In addition, many rural communities have limited nonprofit infrastructure, and limited capacity often hinders those providers that do exist.

- △ ***Definitional Issues.*** HUD uses a narrow definition of homelessness, which limits resources to those who are literally homeless. Rural residents who have no permanent

⁴Mary Stover, "The Hidden Homeless," in *Housing in Rural America*, ed. Joseph N. Belden and Robert J. Weiner (Thousand Oaks, Calif.: Sage Publications, 1999), 91-95.

homes but are experiencing housing stress (e.g., overcrowding), are not counted for programs such as the Continuum of Care. Therefore, many rural communities cannot access the funding needed to address the housing and service needs of this population. These definitional issues reinforce and compound the other challenges inherent in addressing rural homelessness.

Rural Homeless Response and Resources

For all these reasons, using federal resources can be difficult in rural places. Because the number of homeless people in a given community is often small and congregate shelter may be viewed as inappropriate, providers in rural areas have a strong incentive to emphasize homelessness prevention and permanent “re-housing” options. They must depend, however, on the best resources available: federal programs created by the McKinney-Vento Act, which focus on providing temporary housing and services to those who are literally homeless.

Despite their limitations, it is clear that these programs, specifically HUD’s Continuum of Care programs, can be very useful in rural places.⁵ Adopted by HUD in 1994, the Continuum of Care model requires local nonprofits and government agencies that utilize McKinney-Vento programs to collaboratively provide services to address homelessness. Southwest Georgia Housing Development Corporation (SWG AHDC), a HAC partner and local nonprofit housing development organization, provides a good example. SWGAHDC used the McKinney-Vento programs and a wide variety of partnerships to create its Millennium Center, a development for

⁵ Stover 1999; Housing Assistance Council, *Formulas for Success: Housing Plus Services in Rural America* (Washington, D.C.: HAC, 2006).

women and families whose service needs stem from substance abuse addictions. The organization's partners include the county and city governments, the local housing authority and community college, state government, HUD, and USDA Rural Development.

Reauthorization of the McKinney-Vento programs will enable organizations like SWGAHDC to continue providing their valuable services for rural residents. In addition, the changes proposed in S. 1518 will improve rural access to essential homelessness assistance resources.

COMMENTS ON S. 1518, THE COMMUNITY PARTNERSHIP TO END HOMELESSNESS ACT

The Community Partnership to End Homelessness Act (CPEHA) demonstrates critical and innovative thinking about the challenges facing homeless persons and providers. In addition, it recognizes the realities of homelessness in rural communities and provides additional resources for those communities.

In seeking to reauthorize and strengthen the HUD McKinney-Vento homeless assistance programs, CPEHA respects greater decision making at the local level, provides resources for homelessness prevention activity, and makes available specific resources that ultimately allow rural communities the flexibility to implement a range of locally tailored housing solutions.

Homeless Prevention Services

Since the number of homeless people in a given rural community is often small and congregate shelter is often not feasible, homeless prevention services are a very important part of homeless assistance activities in rural communities. Currently, Continuum of Care funds cannot be used for prevention activities, but S. 1518 lifts this barrier. It allows homeless assistance program funds to be used to help prevent homelessness and to assist individuals and families in obtaining permanent housing and supportive services.

HAC applauds this change. Many local HAC partners provide prevention services, but must seek funding from sources less stable than the McKinney-Vento programs. An example is Heart House, a nonprofit in southeastern Indiana. While offering emergency shelter and transitional housing for homeless persons, Heart House also targets homelessness prevention services towards people living in substandard housing or other precarious situations. CPEHA's provisions would make it significantly easier for Heart House to fund these important prevention efforts.

Competitive Grant Program Consolidation

CPEHA would consolidate HUD's three main competitive homelessness programs (Supportive Housing Program, Shelter Plus Care, Moderate Rehabilitation/Single Room Occupancy) into one program, the Community Homeless Assistance Program. This change is intended to reduce the administrative burden on communities caused by varying program requirements.

Such a consolidation will benefit groups like Tennessee Valley Family Services (TVFS), a nonprofit organization located in Guntersville, Alabama. TVFS serves the needs of runaway youth, other homeless youth, and children in need of supervision, offering the full continuum of runaway and homeless programs. Streamlining the application process for its varied programs would enable TVFS staff to spend more time delivering aid and less time on administrative work.

HAC supports this provision, since it would improve rural communities' ability to apply for and receive needed homelessness assistance resources.

Rural Housing Stability Assistance Program

CPEHA would modify the Rural Homeless Assistance Grant (RHAG) program, a rural homeless-specific assistance program that was authorized by the original McKinney-Vento Act, but never funded. This program was created to support local rural organizations providing prevention, emergency assistance, services, and housing options to precariously housed and literally homeless persons. CPEHA changes the name of RHAG to the Rural Housing Stability Assistance program and makes amendments to the program, including but not limited to:

- △ targeting resources to re-housing or improving the housing conditions of individuals who are homeless or in the worst housing situation in a rural area;
- △ stabilizing the housing of individuals who are in danger of losing housing;

- △ providing a simplified funding application that recognizes the capacity constraints of rural community organizations; and
- △ allowing successful applicants to use up to 20 percent of their grant for capacity building activities.

HAC supports the Rural Housing Stability Assistance program because it will help local rural organizations both address and prevent homelessness in their communities. The importance of this flexible targeting is demonstrated by the work of Bishop Sheen Ecumenical Housing Foundation, a HAC partner and faith-based nonprofit housing organization that serves low-income families, seniors, and persons with disabilities in 13 counties in western New York. Most homes in that part of the state are aging, resulting in increased needs for rehabilitation. Last year, Sheen Housing helped rehabilitate the homes of more than 500 families, seniors, and disabled persons, thus keeping them stably housed.

A striking story illuminates the work of Sheen Housing and like organizations that help keep low-income persons away from literal homelessness. Mr. C, his wife, and his 17-year-old son are disabled and live in a remote, very rural setting. Sheen Housing received a handwritten note from this family stating their ceiling was collapsing. A representative from the New York State Office for the Aging who had stopped at the home called Sheen Housing to report that the ceiling could fall “at any time.” Sheen Housing made the needed health and safety repairs, including replacing the ceiling, repairing the roof, and painting the interior. Mr. and Mrs. C and their son are now able to remain in their home.

Another example comes from northwest Tennessee, where Carey Counseling, a local HAC partner and nonprofit housing and mental health organization, serves a large, predominantly rural area. Carey Counseling's many activities include developing housing for persons with mental illness and co-occurring disorders. A new flexible, local rural-specific resource, such as the Rural Housing Stability Assistance program, would help Carey Counseling develop new supportive housing projects for a population at risk of homelessness.

HAC also supports the simplified application and capacity building portions of the Rural Housing Stability Assistance program. Across the nation, rural residents need the kind of housing and services provided by Southwest Georgia Housing Development Corporation, Heart House in Indiana, Sheen Housing in New York state, Tennessee Valley Family Services in Alabama, and Carey Counseling in Tennessee. Yet many of these residents are still crowded into others' homes, at risk of injury in substandard housing, unsheltered, or still paying more than they can afford for their homes, simply because community-based and faith-based organizations in their areas do not have the knowledge or funding to help them.

As an intermediary organization for 36 years, HAC has seen repeatedly that strengthening the capabilities of local rural housing organizations can provide immense benefits to rural communities. The simplified application will help rural organizations access much-needed resources. Capacity building funds will provide relatively small investments in staff training, equipment purchases, and the like that enable local rural organizations to meet the needs of homeless and precariously housed people now and in the future.

In short, HAC fully supports the creation of the Rural Housing Stability Assistance program. It is sensitive to the needs of rural communities and presents crucial, flexible resources for rural organizations providing homeless assistance programs to their communities.

CONCLUSION

Thank you all for this opportunity to comment on the Community Partnership to End Homelessness Act and the housing needs of rural homeless persons. I would be happy to respond to any questions.