

**U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
BEFORE THE SENATE SUBCOMMITTEE ON HOUSING, TRANSPORTATION AND
COMMUNITY DEVELOPMENT,
SENATE BANKING COMMITTEE**

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U.S. Department of Housing and Urban Development**

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Introduction

Chairman Menendez, Ranking member Vitter, members of the Subcommittee, I am pleased to be here today to represent the Department of Housing and Urban Development. My name is Mercedes Márquez, the Assistant Secretary for Community Planning and Development. My office seeks to develop viable communities by promoting integrated approaches that provide decent housing, a suitable living environment, and expand economic opportunities for low and moderate income persons. I oversee, among other things, the Department's efforts to confront the housing and service needs of homeless persons. This responsibility includes confronting the needs of our country's homeless veterans and their families. As President Obama has said, "Too many who once wore our nation's uniform now sleep in our nation's streets." Last week Secretary Shinseki announced the Department of Veterans Affairs plans for ending homelessness among veterans. HUD fully supports these efforts. HUD provides housing and needed supports to homeless veterans through the Department's targeted homeless assistance programs, as well as through mainstream HUD resources.

The Department administers a variety of programs that can serve veterans. These include the Housing Choice Voucher Program, Public Housing, HOME Investment Partnerships, and the Community Development Block Grant (CDBG) program. These programs, by statute, provide great flexibility so that communities can use these federal resources to meet their local needs, including the needs of their veterans. In addition to these programs, Congress has authorized a variety of targeted programs for special needs populations, including for persons who are homeless.

Unfortunately, veterans are well represented in the homeless population. HUD is committed to serving homeless veterans and recognizes that Congress charges HUD to serve all homeless groups. HUD's homeless assistance programs serve single individuals as well as families with children. Our programs serve persons who are disabled, including those who are impaired by substance abuse, severe mental illness and physical disabilities as well as persons who are not disabled. HUD provides an array of housing and supportive services to all homeless groups, including homeless veterans.

Targeted HUD Homeless Assistance Grants

In February 2009, HUD competitively awarded approximately \$1.4 billion in targeted homeless assistance grants. A record 6,336 projects received awards. It is important to note that veterans are eligible for all of our homeless assistance programs and HUD emphasizes the importance of serving veterans in its grant application. Communities may submit veteran-specific projects or projects that support a general homeless population that includes veterans. In this competition, HUD awarded 136 projects that specifically target veterans. There were 1079 additional projects awarded that will serve a broader population, which include veterans.

To underscore our continued commitment to serve homeless veterans, we have highlighted veterans in our annual planning and application process. In the annual grant application we encourage organizations that represent homeless veterans to be at the planning table. Because of HUD's emphasis, communities have active homeless veteran representation. We also require that communities identify the number of homeless persons who are veterans so that each community can more effectively address their needs.

HUDVASH

The Congress provided \$75 million in both 2008 and 2009 for the HUD-Veterans Affairs Supportive Housing Program, called HUD-VASH. The HUD-VASH program combines HUD Housing Choice Voucher rental assistance (administered through HUD's Office of Public and Indian Housing) for homeless veterans with case management and clinical services provided by the Department of Veterans Affairs (VA) at its medical centers in the community. Through this partnership, HUD and VA will provide permanent housing and services for approximately 20,000 homeless veterans and their family members, including veterans who have become homeless after serving in Iraq and Afghanistan. The VA is working with local organizations, including those in HUD's Continuum of Care, to help identify eligible clients and provide needed support. HUD-VASH will make a significant impact on those who bravely served this great nation and who have been left on our streets.

AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA) FUNDING.

ARRA provides unprecedented funding to HUD and other Federal agencies to directly confront the very difficult economic times in which we live. Overall HUD is responsible for \$13.6 billion in ARRA funds for housing and community development. The ARRA Homelessness Prevention and Rapid Re-Housing Program (HPRP) is specifically targeted to confront homelessness. HPRP provides \$1.5 billion to communities nationwide. These funds were awarded to States, metropolitan cities, urban counties and territories.

The funds are now being used by grantees and sub-grantees, including non-profit organizations, to provide an array of prevention assistance to persons, including veterans, who but for this assistance would need to go to a homeless shelter. The program will also be used to rapidly re-house persons who have become homeless. Program funds can be used to provide financial assistance (e.g., rental assistance and security deposits) and housing stabilization

services (e.g., case management, legal services, and housing search). The HPRP funding notice expressly references that the program can serve homeless veterans and that program funds can be used to provide to homeless veterans with security deposits and HUD-VASH can be used for long-term rental assistance. Deputy Secretary Ron Sims highlighted the potential to use HPRP funds to serve homeless veterans in a keynote address at VA's National Summit on Homeless Veterans, held last week.

HPRP represents a unique opportunity for communities. This significant level of funding—which equals the approximate level of funding historically appropriated by Congress for all of HUD's other homeless programs combined—will enable communities to re-shape their local homeless systems. For the first time, communities now have targeted funding to prevent homelessness. In the past, virtually all of HUD's homeless-related programs could only assist persons *after* they became homeless. These funds have the potential to assist persons at risk, including veterans, stay in their homes rather than be relegated to moving themselves and their families to emergency shelters, or worse, the streets. HPRP also will allow communities to significantly reduce the time that veterans and others must stay in emergency shelters, as HPRP can be used to immediately re-house persons in conventional housing and also provide temporary supports such as case management to help ensure housing stability. These two components—homelessness prevention and rapid re-housing—have been the missing links in each communities' Continuum of Care system. Communities now have the tools they need to effectively confront homelessness. Importantly, the new approaches that communities implement with HPRP will have the potential to be carried on, thanks to legislation recently passed by the Congress and enacted by the President on May 20, 2009.

NEW HUD HOMELESS PROGRAMS.

The recently enacted Homeless Emergency Assistance and Rapid Transition to Housing Act (HEARTH) provides unprecedented flexibility to confronting homelessness. The Act consolidates HUD's existing competitive homeless programs into a single, streamlined program, the Continuum of Care Program. The program requires that all stakeholders—including veterans organizations—determine how the funds should be used. The law also reforms the Emergency Shelter Grants program into the Emergency Solutions Grant (ESG) program. The new ESG will provide for flexible prevention and rapid-rehousing responses to homelessness so that veterans and others who are either at risk or who literally become homeless may receive assistance. Finally, the legislation provides for the Rural Housing Stability Assistance Program to provide targeted assistance to rural areas. HEARTH includes as a selection criterion for grant award the extent to which the applicant addresses the needs of all subpopulations, which includes veterans.

VETERAN HOMELESS PREVENTION DEMONSTRATION

The 2009 Appropriations Act provides HUD with \$10 million for a demonstration program to prevent homelessness among veterans as part of the appropriation for HUD's homeless programs. HUD is working with the VA to design and implement this initiative. Urban and rural sites will be selected. The demonstration funds may be used to provide both

housing and services to prevent veterans and their families from becoming homeless or to reduce the length of time veterans and their families are homeless. HUD intends to conduct an evaluation of this demonstration, with funds provided for by the Congress, and then share the results widely through HUD's technical assistance resources to organizations serving veterans.

INTERAGENCY COLLABORATION ON HOMELESS VETERANS ISSUES

Secretary Shaun Donovan is the current Chair of the U.S. Interagency Council on Homelessness (USICH). Secretary Donovan has met with VA Secretary Shinseki to discuss the needs of homeless veterans and how our agencies can work collaboratively to solve this problem.

Historically HUD and VA have been involved in several collaborations related to homelessness among veterans. The agencies are currently working together in implementing and operating HUD-VASH. Another joint initiative involved reducing chronic homelessness, in which HUD provided the housing assistance and the VA and the Department of Health and Human Services provided support services to chronically homeless persons. HUD is also an ex-officio member of the Secretary of VA's Advisory Committee on Homeless Veterans. The Committee met last week and HUD discussed resources and strategies that can be brought to bear on housing homeless veterans.

TECHNICAL ASSISTANCE

To coordinate veterans' efforts within HUD, to reach out to veterans organizations, and to help individual veterans, HUD established the HUD Veterans Resource Center. The Center, headed by a veteran, has a 1-800 number to take calls from veterans and to help address their individual needs. The Resource Center works with each veteran to connect them to resources in their own community.

HUD's Homelessness Resource Exchange (located at www.HUDHRE.info) is HUD's one-stop shop for information and resources for people and organizations who want to help persons who are homeless or at risk of becoming homeless. It provides an overview of HUD homeless and housing programs, our national homeless assistance competition, technical assistance information, and more.

The HUDHRE has a number of materials that address homeless veterans issues. For example, HUD dedicated approximately \$350,000 to enhance the capacity of organizations that do or want to specifically focus on serving homeless veterans, update existing technical assistance materials, and coordinate with VA's homeless planning networks. As a result, we developed two technical assistance guidebooks, available on the website. The first guidebook, *Coordinating Resources and Developing Strategies to Address the Needs of Homeless Veterans*, describes programs serving veterans that are effectively coordinating HUD homeless funding with other resources. The second guidebook, *A Place at the Table: Homeless Veterans and Local Homeless Assistance Planning Networks*, describes the successful participation of ten veterans' organizations in their local Continuums of Care. Additionally, we have held national conference

calls and workshops to provide training and assistance to organizations that are serving, or planning to serve, homeless veterans.

CONCLUSION

Again, I want to reiterate my and HUD's desire and commitment to help end homelessness among our veterans by working effectively with our federal, state and local partners.