

TESTIMONY of ANN OLIVA
NATIONAL ALLIANCE TO END HOMELESSNESS
before the
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SENATE COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS
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INTRODUCTION

Chairwoman Smith, Ranking Member Rounds, and members of the Subcommittee, I am Ann Oliva, Chief Executive Officer of the National Alliance to End Homelessness and a Board Member of True Colors United. Thank you for inviting me to testify before you at today's hearing entitled "Opportunities and Challenges in Addressing Homelessness."

The National Alliance to End Homelessness (the Alliance) is a nonpartisan, nonprofit, mission-driven organization committed to preventing and ending homelessness in the United States. It was founded in 1983 by a group of national leaders from both parties, deeply disturbed by the appearance of thousands of Americans living on the streets of our nation. In its early years it focused primarily on meeting the emergency and service needs of this emerging population. However, as it became apparent that emergency measures alone would not solve the problem, we turned our attention to pursuing permanent, evidence-based and structural policy and program solutions. Today, the Alliance and our thousands of nonprofit, faith-based, private and public sector partners across the country work to end homelessness through funding and implementation of interventions that meet the needs of people experiencing homelessness – primarily affordable housing and services – supporting livable incomes, partnering with people who have lived experience of homelessness and housing instability, and addressing inequities that lead to homelessness.

Our years of collective experience make it clear that we know how to end homelessness in our nation – and when local leaders have the resources they need alongside smart, effective policy, we can make substantial progress. But it is also clear that the homelessness assistance system cannot do this work alone. We need affordable housing, health and behavioral health services, employment opportunities, homelessness prevention resources, and the political will to work together to address the challenges we face.

OVERVIEW

The nation is experiencing a homelessness crisis that both predates and has been deeply affected by the COVID-19 pandemic. The last complete Point-in-Time Count released by the U.S. Department of Housing and Urban Development

(HUD) was for the count conducted in 2020¹. HUD reported that more than 580,000 people were experiencing homelessness on a single night in January 2020. Sixty-one percent were in sheltered locations, while 39 percent were unsheltered. The total number of people experiencing homelessness included nearly 172,000 people in families (60 percent of them children), more than 110,500 people experiencing chronic homelessness,² and more than 37,000 veterans.

While overall homelessness at a point in time decreased between 2007 and 2016, it increased slightly every year between 2016 and 2020. In 2020, HUD reported that 30 states across America saw a rise in homelessness from one year earlier, and, for the first time since HUD began tracking this data, more single individuals³ experiencing homelessness were unsheltered than sheltered, and there were more people in families living unsheltered than the year prior.⁴ Unsheltered homelessness has increased every year since 2015.

The Point-in-Time Count that typically takes place in January (and is the only enumeration that includes people who are unsheltered) was not fully conducted in 2021 due to the pandemic. As a result, the number of people currently experiencing homelessness is not clear. However, the Alliance conducted several surveys of the nation's Continuums of Care (CoCs) during the pandemic, and respondents reported the following:

- the number of shelter beds significantly decreased as shelters followed Centers for Disease Control and Prevention (CDC) guidance to “decompress;”
- most CoCs believed that unsheltered homelessness had increased; and
- though many people from shelters and unsheltered locations were placed in motel/hotel rooms for quarantine and isolation, those incremental beds did not make up for those lost through decompression.

It should be noted that since many jurisdictions have closed their hotel/motel beds, but are likely maintaining COVID protocols, the number of available beds may continue to be low.

Continuums of Care were required by HUD to conduct a full count this past January. Although that data has not been publicly released by HUD, the Alliance tracks information released from local Continuums of Care through media releases. Based on this information, the Alliance expects that unsheltered and chronic homelessness has likely increased nationally, and it is possible (although not certain) that overall homelessness has increased.

While overall and unsheltered homelessness appear to be up, the numbers are down for certain subpopulations. The 2020 data from just before the pandemic showed a slight decrease in homeless family households, veterans, and youth. Both the Alliance's CoC surveys and anecdotal evidence from the field seem to indicate that the number of families experiencing homelessness decreased during the pandemic. This is likely the result of Child Tax Credits and other tax credits, unemployment insurance supplements, Emergency Rental Assistance, the eviction moratorium, and other steps

¹ Henry, M., de Sousa, T., Roddey, C., Gayen, S., & Bednar, T.J. (January 2021). “The 2020 Annual Homeless Assessment Report (AHAR) to Congress, Part 1.” Department of Housing and Urban Development. <https://www.huduser.gov/portal/sites/default/files/pdf/2020-AHAR-Part-1.pdf>.

² People who are chronically homeless have experienced homelessness for at least a year, or repeatedly over several years, while struggling with a disabling condition such as a serious mental illness, substance use disorder, or physical disability. See National Alliance to End Homelessness, “Chronically Homeless,” <https://endhomelessness.org/homelessness-in-america/who-experiences-homelessness/chronically-homeless/>.

³ HUD's definition of “individual” refers to a person who is not part of a family with children during an episode of homelessness. Individuals may be homeless as single adults, unaccompanied youth, or in multiple-adult or multiple-child households.

⁴ Henry, M., de Sousa, T., Roddey, C., Gayen, S., & Bednar, T.J. (January 2021). “The 2020 Annual Homeless Assessment Report (AHAR) to Congress, Part 1.” Department of Housing and Urban Development. <https://www.huduser.gov/portal/sites/default/files/pdf/2020-AHAR-Part-1.pdf>.

that Congress took to protect vulnerable households from the health and economic impacts of the pandemic. It is also possible that some families chose to double or triple up with relatives or friends rather than enter congregate shelter facilities during the pandemic.

In addition to the snapshot of homelessness that the Point-in-Time Count provides, it is important to understand how many people use homelessness assistance programs over the course of the year. Capturing and reporting longitudinal data, which HUD does through the Annual Homeless Assessment Report, Part 2, helps us understand flow through the system and the characteristics of people experiencing sheltered homelessness. Over the course of a year, nearly 1.45 million people experience sheltered homelessness at some time.⁵ Important information from HUD's longitudinal data include:

- Families experiencing homelessness are typically headed by women and include young children.⁶ About 501,100 people in 156,000 households with children used an emergency shelter or transitional housing in fiscal year 2018 (the most recent longitudinal data released by HUD). Of those persons, 62 percent were children and nearly 30 percent were children under age 5. Nearly 90 percent of sheltered family households were headed by women.⁷
- 113,330 unaccompanied youth experienced sheltered homelessness during 2018. Unaccompanied youth experiencing sheltered homelessness were more likely to be people of color (Hispanic or Latino, Black or African American, multi-racial, or another race other than white) than youth in the general population. LGBTQ youth are at more than double the risk of homelessness compared to non-LGBTQ peers; among youth experiencing homelessness, LGBTQ young people reported higher rates of trauma and adversity, including twice the rate of early death.⁸
- Youth and young adults experience homelessness both as family heads of household and as individuals.⁹ In 2018, families with children headed by a parenting young adult aged 18 to 24 accounted for 17 percent of all family households experiencing sheltered homelessness.

As evidenced by the description above, *current data* on the number of people experiencing homelessness is not firm. We will have a more comprehensive grasp on the impacts of the pandemic and economy once the results of the 2022 Point-in-Time Count and the 2019 and 2020 longitudinal studies are released by HUD.

Finally, it is important to note that people experiencing homelessness often work but still cannot afford housing. In the report *Learning about Homelessness Using Linked Survey and Administrative Data*¹⁰, the authors found that 53 percent of adults experiencing sheltered homelessness had formal labor market earnings in the year they were observed as

⁵ Henry, M., Mahathey, A., & Takashima, M. (September 2020). "The 2018 Annual Homeless Assessment Report (AHAR) to Congress, Part 2." Department of Housing and Urban Development. <https://www.huduser.gov/portal/sites/default/files/pdf/2018-AHAR-Part-2.pdf>

⁶ Henry, Mahathey, and Takashima, *op. cit.*

⁷ HUD defines "head of household" as the member of the family or household with whom all other members of the household are associated in homeless management information systems. For families and adult-only households, the head of household must be an adult. In a child-only household, the parent of another child is designated as the head of household; otherwise, each child in a household without adults is designated as a head of household.

⁸ Morton, M., Dworsky, A., & Patel, S. (2018). "LGBTQ Young Adults Experience Homelessness at More than Twice the Rate of Peers." Chapin Hall at the University of Chicago. <https://www.chapinhall.org/research/lgbtq-young-adults-experience-homelessness-at-more-than-twice-the-rate-of-peers/>.

⁹ Henry, Mahathey, and Takashima, *op. cit.*

¹⁰ Meyer, B.D., Wyse, A., Grunwaldt, A., Medalia, C., & Wu, D. (May 2021). "Learning about Homelessness Using Linked Survey and Administrative Data." National Bureau of Economic Research Working Paper No. 28861. <https://www.nber.org/papers/w28861>.

homeless, and an estimated 40.4 percent of unsheltered persons had at least some formal employment in the year they were observed as homeless.

PANDEMIC RESPONSE

The pandemic brought into sharper focus the importance of housing. Simply put, a person cannot quarantine if they do not have a home. It is clearer than ever that housing is, indeed, a social determinant of health. Further, millions of Americans who have a home are severely rent burdened and a crisis could cause them to lose that home without proper protections in place.

Four major funding streams designed to assist people experiencing homelessness and housing instability were included as part of pandemic-related relief packages passed by Congress. Each one plays a distinct but interrelated role in the nation's response to the health and economic crisis.

Emergency Rental Assistance (ERA). The \$46.6 billion program operated by the Department of the Treasury was designed to prevent an eviction crisis and has assisted more than 3.8 million households to remain in their housing¹¹. Although it was slower to start than anticipated, many state and local funding recipients now report that they have exhausted their funding and are no longer taking new applicants – as evidenced by the decreasing number of unique households served nationally since the program's height in September 2021, as reported by the Treasury. Two major lessons can be learned from the implementation of ERA: first, the nation needs a permanent program that can be scaled up in times of crisis rather than creating a new program each time a crisis emerges; second, that flexibility can be successfully balanced with accountability to get critical funding into the hands of households in need quickly.

Emergency Housing Vouchers (EHVs). This \$5 billion program operated by HUD allocated 70,000 Housing Choice Vouchers to provide permanent housing to people experiencing and at-risk of homelessness. As of July 17, 2022, HUD reports that nearly 40% of these vouchers are leased up, with another 50% issued¹². The EHV program is pushing communities to create new or stronger partnerships between homeless services providers and Public Housing Authorities (PHAs) so that people experiencing or at risk of homelessness can more easily access safe and affordable housing. Although the housing market is extremely tight in many areas and increasing rents pose a challenge to using vouchers, some communities are not only successfully using the EHVs they have, but are requesting more. The alternative requirements and waivers that allow for more flexible implementation as compared to regular Housing Choice Vouchers have made a positive difference for the communities using them. Flexible funding provided to Public Housing Authorities for landlord incentives, security deposits and housing navigation are helping with lease-up. However, because EHVs were not appropriated as a permanent program, these vouchers can currently only be issued until September 2023. Congress should consider making EHVs permanently available to individuals and families experiencing homelessness and housing instability.

HOME Investment Partnerships (HOME-ARP). The \$5 billion allocation of HOME program funding is providing rental assistance, support for non-congregate shelter, acquisition and development, and supportive services for homeless and at-risk people. Uniquely, it is helping communities build affordable and supportive housing, a longer-term investment that will improve housing capacity. The HOME-ARP funding provides an opportunity to address the shortage of deeply affordable housing by implementing promising practices adopted during the pandemic. For example, some states and localities – most notably California – acquired hotel and motel properties to use as both temporary and permanent housing at a cost far lower than new construction or conventional rehabilitation. While the supply of hotel and motel stock has been shrinking, there is still some available. In some jurisdictions, office and retail space could potentially be developed for affordable housing at lower cost than new construction or rehabilitation. HOME-ARP can help creative

¹¹ U.S. Department of the Treasury Emergency Rental Assistance Program: <https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments/emergency-rental-assistance-program>

¹² U.S. Department of Housing and Urban Development Emergency Housing Voucher Program: <https://www.hud.gov/ehv>

jurisdictions take advantage of opportunities like these to increase the stock of affordable housing. According to HUD, 36 allocation plans have been reviewed and accepted by HUD to date¹³.

Emergency Solutions Grants (ESG-CV). The \$4 billion ESG-CV program has helped communities respond to the needs of people living unsheltered and provides support to emergency shelters that must respond to shifting environments and health guidance as the pandemic progresses.

The federal government took two additional unprecedented steps related to housing and homelessness during the pandemic: the Centers for Disease Control and Prevention issued a national eviction moratorium and the Federal Emergency Management Agency (FEMA) allowed communities to be reimbursed for eligible emergency protective measures in response to the COVID-19 emergency through its Category B Public Assistance program. Specifically, this provided communities with the opportunity to open non-congregate shelter programs to protect vulnerable people from the spread of COVID-19.

These investments represent a combination of short-, medium-, and long-term resources that communities are using to address the homelessness crisis, which (as noted previously) was already growing worse before the pandemic and has been exacerbated by the health and economic crisis of the last two years.

It is clear that pandemic-related affordable housing, homelessness policy, and funding is having a positive impact and is deeply appreciated by communities that have received it. However, the evolving economic environment and rapidly increasing rents indicate that there is still much work to do toward ending homelessness.

CHALLENGES FACING THE FIELD

Even with new pandemic resources, homelessness assistance systems are facing significant challenges. Some are long-standing, like the lack of available supportive and affordable housing units dedicated to people experiencing homelessness. This shortage makes exiting the homeless system difficult and results in people waiting for long periods of time in shelter or on the street. New challenges have also emerged as a result of the pandemic.

First and foremost are the challenges faced every day by people experiencing homelessness and housing instability, and by the front-line staff who serve them. For example:

- We are seeing an increase in criminalization. According to the National Homelessness Law Center, 48 states have at least one law that criminalizes people experiencing homelessness¹⁴. Sweeps – along with anti-camping, pro-criminalization laws and ordinances – are increasingly being pursued by local officials as a path to addressing community concerns, even though they do not solve homelessness and make life more difficult for homeless people and front-line staff. In fact, two states (Missouri and Tennessee) have recently enacted legislation making it a crime to sleep on state property. The Missouri law also requires cities to use state funding for temporary camps/shelter rather than long term housing.
- Many homeless systems and providers are reporting staff shortages. Homeless systems — which rely heavily on front-line workers to provide essential services to people experiencing homelessness — report staffing challenges due to the pandemic. However, these staff shortages are also attributed to long-standing and systemic issues, like low pay, that create environments with high staff turnover and burnout for the people who work in them.

¹³ U.S. Department of Housing and Urban Development HOME-ARP Program:

https://www.hud.gov/program_offices/comm_planning/home-arp/allocation-plans

¹⁴ National Homelessness Law Center. (November 2021). “Housing Not Handcuffs State Law Supplement.”

<https://homelesslaw.org/wp-content/uploads/2021/11/2021-HNH-State-Crim-Supplement.pdf>.

The inability of people to afford housing is the major driver of homelessness – a factor outside the control of homelessness assistance systems. A substantial increase in the cost of rent and utilities over the past year¹⁵ has the potential to negatively impact both inflow into the homelessness assistance system and the ability of households experiencing homelessness to exit homelessness. A recent Washington Post article reported on this emerging challenge, stating that *“Every \$100 increase in median rent is associated with a 9 percent increase in the estimated homelessness rate, according to a 2020 report by the U.S. Government Accountability Office. Economists say that figure is particularly troubling as rents continue to soar to unprecedented highs. The national median asking rent jumped to a record \$2,002 in May, up 15 percent from \$1,738 a year ago, according to Redfin.”* These increases make it harder for people experiencing housing instability to remain in their units and create housing challenges for people exiting incarceration or institutions like child welfare or hospitals. Higher costs of living also make it more difficult for homeless assistance systems to place people into safe, stable, and affordable housing.

Historically Marginalized People and Racial Inequities

People of color and other historically marginalized people are disproportionately affected by homelessness and housing instability.

- Nearly 40 percent of those experiencing homelessness in 2020 were Black and 23 percent were Latino, although these groups make up 13 and 18 percent of the U.S. population, respectively. Similarly, Native Americans represent 1 percent of the population but 3 percent of people experiencing homelessness, and Pacific Islanders represent .2 percent of the population but 1.5 percent of people experiencing homelessness.
- 24 million people in low-income renter households pay more than half of their income for rent and utilities¹⁶. Most of the renters in these households (62 percent) are people of color: 6.8 million are Latino, 5.8 million are Black, 1.4 million are Asian or Pacific Islander, 725,000 are multiracial, and 242,000 are American Indian or Alaska Native.
- Not only are people of color overrepresented in the population of people experiencing homelessness, but there are also racial disparities in the outcomes of homelessness interventions.
- Data also shows that LGBTQ people¹⁷ and people with disabilities¹⁸ are more likely to experience housing instability and homelessness.

We must develop and examine all homelessness strategies and activities through the lens of racial justice and equity. Historical and systemic racism in the key areas of housing, health care, and employment have a major impact on homelessness, resulting in the disproportionality identified above. Once homeless, people of color and other marginalized groups experience disparities in the effectiveness and nature of the assistance they receive. While the homelessness system alone has little ability to prevent marginalized groups from becoming homeless, it must be diligent in assessing the impact of its assistance on all of the people it serves. To remedy these disparities, homelessness systems must develop models, practices, and interventions that are culturally competent and trauma informed, so as to deliberately address inequities and discrimination faced by people in the homelessness assistance system.

Unsheltered Homelessness

¹⁵ Bhattarai, A., & Siegel, R. (July 2022). “Inflation is Making Homelessness Worse.” Washington Post. <https://www.washingtonpost.com/business/2022/07/03/inflation-homeless-rent-housing/>.

¹⁶ Mazzara, A. (May 2021). “Expanding Housing Vouchers Would Cut Poverty and Reduce Racial Disparities.” Center on Budget and Policy Priorities. <https://www.cbpp.org/blog/expanding-housing-vouchers-would-cut-poverty-and-reduce-racial-disparities>.

¹⁷ Wilson, B. D. M., Choi, S. K., Harper, G. W., Lightfoot, M., Russell, S., & Meyer, I.H. (2020). “Homelessness among LGBT adults in the U.S. Los Angeles, CA.” Williams Institute. <https://williamsinstitute.law.ucla.edu/publications/lgbt-homelessness-us/>.

¹⁸ Bailey, A., de la Huerga, R., & Gartland, E. (July 2021). “More Housing Vouchers Needed to Help People with Disabilities Afford Stable Homes in the Community.” Center on Budget and Policy Priorities. <https://www.cbpp.org/research/housing/more-housing-vouchers-needed-to-help-people-with-disabilities-afford-stable-homes>.

A critical challenge is the need to address growing unsheltered homelessness. As noted above, the nation has seen a rise in unsheltered homelessness every year since 2015.

It should not be acceptable that 230,000 people sleep on the streets every night. And it should also be unacceptable that people living unsheltered are criminalized for simply trying to survive and live in public places that are not meant for human habitation. The unsheltered population includes people with behavioral health conditions; youth and young adults; pregnant women and families living in cars or tents; older adults whose needs can no longer be met in shelter and end up on the street, and many others.

Data indicates that people who are unsheltered have much more serious health problems than people living in shelter. For example, data indicates that 50 percent of unsheltered people are tri-morbid, with co-occurring physical, mental and/or substance use conditions, while only 2 percent of sheltered adults are tri-morbid. And it is important to point out that many unsheltered people did not become homeless as a result of tri-morbidity, but became ill as a result of being unsheltered.

While it can be a challenge to permanently house higher need or unsheltered people for a variety of reasons, some communities are using resources like EHV in efforts to resolve encampments or otherwise serve unsheltered people. This requires strong partnerships with outreach providers, landlords, and service providers. For example, the King County Regional Homelessness Authority recently reported¹⁹ the successful closing of an encampment through a person-centered approach that included shelter and housing for encampment residents.

Older Adult Homelessness

Focused data collection and interventions have rarely been pursued for older adults experiencing homelessness; as a result, there is little data on this population, how and why they become homeless, the trajectory of their homelessness, or tailored solutions. This is likely because of the small number of older people who have historically experienced homelessness.

However, the situation is changing: as the percentage of the general population that are older adults increases, so does the percentage of older adults experiencing homelessness. This is only exacerbated by the fact that their age cohort is one that disproportionately became homeless as a result of recessions in the late 1970s and early 1980s. This cohort was the largest group of people experiencing homelessness then, and it remains so today – except now the group is in its 50s and 60s. Over the next decade or so, these demographic shifts will result in the older adult homeless population increasing significantly: nearly tripling by 2030²⁰. People of color are and will continue to be over-represented in this population.

One implication of the increase in older adults experiencing homelessness is the increase in health care costs associated with this population. Culhane et al. estimate that this will be in the range of \$5 billion annually within the next decade. But because homelessness, and especially prolonged homelessness, is so detrimental to the health of older adults, this spending is unlikely to achieve positive outcomes. Older people experiencing homelessness have significantly higher medical utilization costs and shortened life expectancies.

A much better investment would be to use, or to view, these health care costs as an offset to housing subsidies. Funding housing would not only end people's homelessness; it would improve their health and prolong their lives, and at a comparable cost.

¹⁹ Taylor, S.G. (May 2022). "Officials tout outreach success at Seattle's Woodland Park." Seattle Times. <https://www.seattletimes.com/seattle-news/homeless/officials-tout-outreach-success-at-seattles-woodland-park-mayor-bruce-harrell-promises-homelessness-plan-in-may/>.

²⁰ Culhane, D., Treglia, D., Byrne, T., Metraux, S., Kuhn, R., Doran, K., Johns, E., & Schretzman, M. (2019). "The Emerging Crisis of Aged Homelessness." Actionable Intelligence for Social Policy. <https://aisp.upenn.edu/wp-content/uploads/2019/01/Emerging-Crisis-of-Aged-Homelessness-1.pdf>.

Workforce Concerns

Jurisdictions are beleaguered after two solid years of the pandemic, and the recession and its aftermath. The Alliance's surveys of CoCs show consistent reports of employee shortages in homeless service and housing organizations. In a May 2021 survey, 72 percent of CoCs reported shortages in frontline shelter staff; 69 percent had a shortage of case managers; and 62 percent had shortages in street outreach workers. The organizations reported the cause of the challenges as stress, exhaustion, and low morale; illness; family responsibilities; and fear of COVID. It should also be noted that homeless services staff typically receive relatively low salaries for very difficult and challenging work. A recent study found that the average shelter staff member earned \$24,000 per year, and the average permanent supportive housing staff member earned \$36,000 per year. Low pay may be another reason that it is difficult to keep staff.

Staff shortages are not the only capacity issues for CoCs and the organizations that they fund. With the challenges of working through a period of constant change as COVID numbers rise and fall, guidance changes, multiple new initiatives are introduced, immediate results are expected, and new partnerships must be formed – years of these compounded hurdles have worn down many program staff. Although they appreciate and welcome the resources and share the sense of urgency, in many localities they are overwhelmed.

The necessity to create substantial new partnerships has also been a frequent challenge. For example, the Emergency Housing Voucher and HOME-CV funding sources are targeted to people experiencing homelessness or at risk of homelessness. However, the funds were not given to entities in the CoC that routinely work with people experiencing homelessness. EHV's were given to Public Housing Authorities (PHAs) and HOME-CV funding was given to HOME Participating Jurisdictions (PJs). PHAs and PJs were then required to work with the CoCs to run the programs – an atypical proceeding.

Accessing Services

Community leaders and homelessness assistance providers struggle to connect new housing resources to mainstream supportive services in many communities. In addition to the challenges with creating new housing-related partnerships mentioned above, housing high-need individuals and families experiencing homelessness generally requires that they be connected to supportive services – services that are critical to housing stability. This often requires that funding recipients or their non-profit partners develop new relationships with health partners. Such partnerships can be hard to achieve and take time to establish, especially when these health care entities are in the midst of pandemic response. People experiencing homelessness who do not require intensive or ongoing services to stay housed may still require assistance connecting to employment and education opportunities, which may similarly require the creation of new partnerships.

FUNDING EVIDENCE-BASED APPROACHES AND USING LESSONS LEARNED

Congress should focus its policy and funding on solutions that we know work. At the same time, Congress should provide communities support to innovate when needed. The unprecedented nature of the pandemic and its health and economic impacts, coupled with rising rents and affordable housing supply shortages, mean that communities, providers, and people experiencing homelessness are facing uncharted waters. It is imperative that we learn from the implementation of pandemic-related resources and apply those lessons to our work moving forward. Returning to the pre-pandemic status quo should not be the goal.

To address the affordable housing crisis that drives homelessness, it is also imperative that Congress invest in four areas:

1. keeping the stock we already have through affordable housing preservation;
2. increasing affordable housing supply through investments in targeted programs like HOME, Low-Income Housing Tax Credits and the National Housing Trust Fund;
3. increasing affordability through an expansion of the Housing Choice Voucher Program; and

4. helping individuals and families maintain housing by increasing access to health and behavioral health services and employment.

Partnering with People with Lived Experience

People with lived experience of homelessness bring a critical policy and program design perspective based on how our systems actually function, and can make important recommendations based on their experience using these resources. At the launch of the *Framework for an Equitable COVID-19 Homelessness Response Project*,²¹ project leaders asked people experiencing homelessness or housing instability for their input on what challenges should be prioritized and addressed in the nation's homelessness response systems. Four themes emerged from the discussions and focus groups:

- **The most important priority is to address the lack of affordable housing options.** Adequate affordable housing options and support (e.g., long-term rental assistance, affordable housing development, services) must be developed and targeted to those most impacted by structural inequities.
- **Systems should treat people experiencing homelessness and trauma with dignity.** Dignity-based services led by the communities most impacted by homelessness should be designed and supported in a post-COVID environment.
- **Congregate shelters should be re-imagined.** Current congregate emergency shelter options are often inadequate and can cause further trauma for the people who use them.
- **Criminalizing people experiencing homelessness causes harm.** Communities should end practices that criminalize people experiencing homelessness. Law enforcement should not be the primary responder when people experiencing homelessness need assistance, because the interactions between law enforcement and people experiencing homelessness are often negative and cause harm.

System planners and policy makers at all levels should actively and deliberately partner with people who have experience with the systems we seek to change. This can take a number of forms, including compensated work as advisors, board members, and technical assistance consultants. It can and should also take the form of increased employment opportunities for (and priority of) people with lived experience of homelessness. Having staff – including management staff – with lived experience ensures more extensive and deliberate involvement in critical decisions about policy, program design, and resource allocation. Such a strategy would not only increase the employment of people experiencing homelessness, but improve the overall performance of the sector.

Housing First

It is important to focus our resources on proven solutions such as Housing First. Housing First is an evidence-based approach to ending homelessness for individuals and families that prioritizes safe, permanent, affordable housing as the foundation for healing and pursuing life goals. By providing rental assistance, Housing First directly addresses the primary driver of homelessness — the lack of affordable housing. There is a large and growing evidence base demonstrating that Housing First is an effective solution to homelessness.

Voluntary supportive services that support an individual or family's housing stability and healing from trauma are also a critical part of Housing First. Under a Housing First approach, participation in services and other prerequisites are not required to access housing. But Housing First is never, when implemented according to the model, housing only. In fact, Housing First services are generally available to people while they are in shelter or other temporary accommodation and waiting for housing placement.

Housing First programs are based on the premise that people are better able to benefit from services, become employed, and achieve stability if they are receiving services from the safety and security of a home. Using a Housing First approach does not mean that structured programs – like those that support sober living – are not made available.

²¹ See <https://housingequityframework.org/partners> for partner organizations.

The focus of a system rooted in Housing First principles is about providing choices that can meet an individual or family's needs. Sober living or other more structured service approaches should be made available to people who prefer them.

This approach recognizes that housing is a basic human need and people should not have to prove they deserve a place to live. This is also rooted in behavioral science and theories that people are more successful at achieving goals or making changes when they are self-motivated to do so, as opposed to having goals imposed upon them. Centering choice is more than a value — it is essential to success.

Housing First is also the most cost-effective strategy for ending an individual or family's homelessness and providing long-term housing stability. There is evidence that, for some people experiencing homelessness, funding housing and supportive services may produce net savings by reducing the use of emergency departments, emergency shelters, hospitals, law enforcement and incarceration, and other expensive community services. Housing First is also cost-effective because it produces much better housing, health, and economic outcomes — especially for children — and improves other measures of wellbeing compared to other approaches.

Housing Choice Voucher Expansion and Universal Vouchers

Homeless assistance systems alone cannot end homelessness. This crisis requires a comprehensive approach that addresses the large number of households who cannot afford rents in their communities because their incomes are too low to afford reasonably priced housing, an insufficient supply of reasonably priced housing, or both. The approach must also address access to services for people who need and want them.

The evidence about the positive impacts of Housing Choice Vouchers on families experiencing homelessness is clear. HUD's Family Options Study²² showed that enrolling in Housing Choice Vouchers improved: housing stability and reduced family separations, psychological distress, and alcohol/drug problems for the head of household; intimate partner violence; the number of schools that children attended and the number of absences for children; children's behavioral problems; and food insecurity among families as compared to usual care in the homeless system.

The most effective policy we could take to address the nation's homelessness crisis is to provide a Housing Choice Voucher for every eligible household. Vouchers effectively fill in the gap between the cost of rent and utilities and how much a household can afford to pay, ensuring that those with very low incomes can afford housing. This step would fundamentally alter the landscape for people experiencing homelessness, institutionalization, and housing instability. Such a policy change would ultimately prevent many stints of homelessness: households with low incomes would be able to afford housing, and thus would be less likely to fall behind on rent and face eviction. It would lift millions of children out of poverty and improve educational outcomes, help seniors and people with disabilities, and provide youth and young adults with a brighter path to adulthood.²³ This is the goal we should be working toward, even if we cannot get there in one step.

The Ending Homelessness Act of 2021 (H.R. 4496) and the Housing for All Act (S. 3788) both include a path to universal vouchers over 10 years, a goal also discussed by President Biden during his campaign.

Homeless Assistance Grants

The backbone of the nation's homelessness crisis response system and permanent supportive housing stock are HUD's Homeless Assistance Grants programs. Congress should continue to invest in these core programs and provide increased and sustained funding for efforts to address unsheltered, rural, and tribal homelessness. In addition, the Alliance urges

²² Department of Housing and Urban Development, "The Family Options Study," https://www.huduser.gov/portal/family_options_study.html.

²³ Fischer, W., Acosta, S., & Gartland, E. (2021) "More Housing Vouchers: Most Important Step to Help More People Afford Stable Homes." Center on Budget and Policy Priorities. <https://www.cbpp.org/research/housing/more-housing-vouchers-most-important-step-to-help-more-people-afford-stable-homes>.

Congress to consider two requests made by HUD in their Fiscal Year 2023 budget request: to increase the statutory cap on planning dollars for CoCs, and to allow HUD to issue a two-year Continuum of Care Notice of Funding Opportunity. These simple changes will allow CoCs to conduct better planning with the partners needed to address critical challenges and create new partnerships as described earlier in this testimony, and will provide time to conduct these important activities between competitive cycles.

PENDING LEGISLATION

There are several pieces of legislation within the jurisdiction of the Senate Committee on Banking, Housing, and Urban Affairs that deserve strong bipartisan support because they either help people experiencing homelessness become housed or prevent homelessness from ever occurring. The Alliance supports the following bills.

- **The Flexibility in Addressing Rural Homelessness Act** (H.R. 7196) would provide rural areas with additional options to use federal funds to reduce homelessness. This bill, which enjoyed bipartisan support in the House, was approved without any opposition by the House Financial Services Committee at a May 17 mark up. It has since been passed by the House as part of an en bloc amendment to the FY23 National Defense Authorization Act (H.R. 7900).

This legislation would not increase costs to the taxpayers. However, it would give rural communities three new flexibilities when using the annual federal homelessness funding that flows through the Transportation-HUD Appropriations Bill, particularly the Continuum of Care program dollars that make up the bulk of the Homelessness Assistance Grants:

- payment of short-term, emergency lodging, including in motels or shelters, either directly or through vouchers;
- repairs such as insulation, window repair, door repair, roof repair, and repairs that are necessary to make premises habitable; and
- capacity building activities, including payment of staff training and staff retention.

The Alliance supports H.R. 7196, which would simply allow rural areas to spend precious homelessness funds on their most pressing needs, which are not always the same as urban and suburban areas.

- **The Coordinating Substance Use and Homelessness Care Act** (H.R. 7196, S. 4482) would help local homelessness systems to access supportive housing services so that people experiencing homelessness with the most acute needs could be safely and securely housed. The House bill was marked up by the House Financial Services Committee on May 17.

Some people who experience homelessness need more than rental assistance. They need additional help to become housed – and stay safely and securely housed – because of more acute needs, which might mean help finding a suitable rental unit, working with landlords to address concerns, case management, and other services. However, supportive housing services are not normally available with housing vouchers, including the Emergency Housing Vouchers provided by the American Rescue Plan Act.

The Alliance supports S. 4482, which would establish in HUD a program to provide grants to homelessness organizations that would help them to develop the capacity to access supportive housing services, including billing Medicaid or paying a third party to bill Medicaid.

- **The Safe Parking Programs Act** (H.R. 2965, Section 301 of S. 3788) would require HUD to provide grants to interested local governments to establish or expand safe parking programs that lead to permanent housing. Safe parking lots provide people experiencing homelessness who live in their vehicles with safe places to park and reside in their vehicles overnight to help them transition to more stable housing.

The Alliance's support for the legislation is contingent on safe parking programs actually providing services to facilitate transitions to more stable housing for residents, and that the grants are paid for with new money – not with federal funds already committed to fighting homelessness.

- **The Eviction Crisis Prevention Act** (S. 2182), bipartisan legislation introduced by your colleagues Senators Bennet and Portman, would, among other things, significantly increase housing stability through the creation of a national \$3 billion Emergency Assistance Fund (EAF).

Building on the success of the COVID Emergency Rental Assistance program, the EAF would be a permanent program that would help families stay housed, and help communities and households avoid the significant financial and psychic costs of homelessness.

- **The Family Stability and Opportunity Vouchers Act** (S. 1991), bipartisan legislation introduced by Senators Van Hollen and Young, would establish 500,000 new Housing Choice Vouchers over the next five years. These vouchers would be designated specifically for families that are experiencing homelessness or housing instability, or wish to live in areas with quality schools, less crime, more resources such as grocery stores and parks, and other opportunities for healthy development as well as educational and professional success.

The bill pairs mobility vouchers with customized support services to help families escape the cycle of poverty and move to high-opportunity areas. Pregnant women and families with a child under age 6 would qualify for these new vouchers if they have a history of homelessness or housing instability, live in an area of concentrated poverty, or are at risk of being pushed out of an opportunity area. This includes families who are fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, or stalking; families who are living in housing conditions that are dangerous or life threatening; and families who are living in units that are not accessible to a disabled family member.

- **The Fair Housing Improvement Act** (S. 2182, H.R. 8213) would make it easier for households across the nation to use federal rental assistance in neighborhoods where they want to live.

The federal government provides vouchers to help 2.3 million veterans and low-income households live in decent, stable private market housing. It is understood that federal rental assistance helps families avoid housing insecurity and homelessness, improves health and educational outcomes, boosts children's prospects for long-term success, and increases racial equity. However, landlord discrimination against families who pay the rent with vouchers, even including those awarded to veterans, can leave those families with significantly fewer options as to where they can live. S. 2182 would extend protections against source of income discrimination across the entire nation, thus making it easier for all families with vouchers to live in their communities of choice.

CONCLUSION: ADVANCE EQUITY AND END HOMELESSNESS WITH INVESTMENTS SCALED TO THE NEED

Homeless assistance and housing providers, local leaders and their staff are struggling to keep up with the demands placed upon them. People experiencing homelessness – who are disproportionately people of color and other marginalized people – are being increasingly dehumanized and criminalized as unsheltered homelessness increases and communities become frustrated with a lack of affordable housing options.

The good news is that we know what works to solve homelessness for youth, individuals, and families. We have a strong and motivated field that can execute well-designed, flexible programs and policies even in the toughest of circumstances. Congress should make investments and policy choices that maximize the positive impact of our knowledgeable and compassionate workforce, and scale those investments so that we have a clear path to meet the needs of all people experiencing homelessness and prevent homelessness when possible.

Imagine a homelessness assistance system that, instead of being forced to prioritize people based on how sick or in danger they are, can quickly offer a family, youth, or individual in crisis a permanent housing option. A system that prioritizes working with landlords to create and maintain positive relationships that benefit people experiencing homelessness, the business community, and neighborhoods. A system that provides outreach to people living on the street — outreach that actually includes a housing option rather than only a blanket, bottle of water, or granola bar.

We have much work to do to realize that vision. The Alliance stands ready to assist with this important and necessary work.