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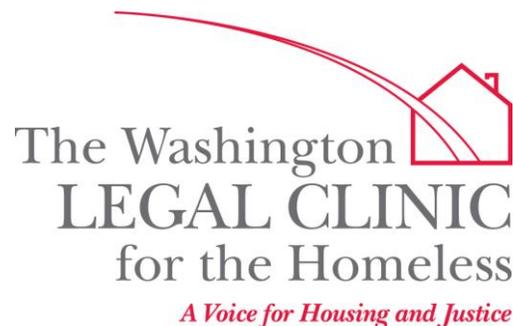
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**Testimony before the DC Council Committee on Human Services
Oversight Hearing on the DC Department of Human Services (DHS)
Presented by Max Tipping
March 15, 2017**

Good morning Councilmember Nadeau and members of the Human Services Committee. My name is Max Tipping and I am an Equal Justice Works fellow at the Washington Legal Clinic for the Homeless. The Legal Clinic envisions – and since 1987 has worked towards – a just and inclusive community for all residents of the District of Columbia, where housing is a human right and where every individual and family has equal access to the resources they need to thrive. My testimony today will focus on the District’s rapid re-housing program and how families participating in the program are being set up to fail.

As you know, rapid re-housing is designed to provide a short-term rental subsidy and case management assistance to help homeless families quickly move back into stable housing. DC’s rapid re-housing program, also known as the Family Re-housing and Stabilization Program (“FRSP”), began in 2012 as a means of helping a limited range of people who were only in need of a small amount of support. It has since become the District’s one-size-fits-all tool for addressing the family homelessness crisis, and is now the only assistance offered to homeless families to move out of the District’s shelter system. There are currently over 1,300 families in the program, representing approximately 4,000 people, including over 2,300 children.

Other testimony will address some of the problems that families face while participating in the rapid re-housing program, including living in apartments with severe housing code violations and being forced to pay an unreasonable portion of their income towards their rent. I would like to focus my testimony on the main structural flaw of using a rapid re-housing model to resolve family homelessness in the District. Namely, since the program is designed to be time-limited, sooner or later families in the program face a cliff, where the subsidy is terminated and the family becomes responsible for the full market rent.

The Rapid Re-housing Cliff

As currently designed, rapid re-housing is meant to operate as a 12-month subsidy that can



be extended in certain circumstances. Under the Bowser administration, DHS initially committed to the reasonable and humane policy of extending subsidies and not sending families over the cliff if they could not afford the rent on their own. DHS recognized that it would not make sense to terminate families' rapid re-housing subsidies if they were going to end up becoming homeless again, which is both incredibly traumatic for families and hugely expensive for the homeless services system.

Unfortunately, this policy was difficult to maintain. As I mentioned earlier, rapid re-housing is currently the District's only means of moving families out of shelter. Since funding for the rapid re-housing program does not substantially increase each year, the only way to make room for families to move from shelter into rapid re-housing is to exit other families from rapid re-housing by cutting off their subsidies. As DHS extended families in rapid re-housing to ensure that they didn't become homeless again, there was less and less money available to move families out of shelter.

So DHS changed its policy. Starting in May of 2016, DHS began mass terminations of families' rental subsidies based on time limits, without regard for their ability to maintain their housing. Of the 571 families that have exited the program in FY 2016 and FY 2017, more than half were terminated because their rental subsidy "expired."

The available data strongly suggest that most families exiting the program are not able to afford the market rent. In fact, according to DHS only 22 percent of families that exited in FY 2016 and FY 2017 were no longer in need of assistance. Furthermore, in FY 2016, the average monthly income of families in the program was \$483, and only 10 percent of families managed to increase their income while in rapid re-housing. Meanwhile, the average market rent for a rapid re-housing unit is about \$1200. But since May, the fact that a family lacks sufficient income to afford market rent has not stopped their subsidy from being terminated. I have personally represented multiple families that DHS attempted to terminate when their sole income was TANF, including when the family had as little as \$154 in monthly income.

The rules for the program only require that a family receive notice 30 days before their subsidy is terminated. They then have one month to figure out a way to avoid cycling back into homelessness. Unless they immediately abandon the unit when the subsidy is cut off they will accrue a balance to their landlord, which makes it nearly impossible to find a unit in the future and may damage their credit, driving them deeper into poverty.

Less than half of the families that exit the program will be able to sustain their housing independently, and at least one out of every seven will return to shelter. These families have been set up to fail. The program has been designed to act as a crucible for the District's most vulnerable families, with some making it through, but most unable to sustain their housing after the program ends and some cycling back into shelter, only to be put back into rapid re-housing once again.

Ending the Cliff

The rapid re-housing regulations make it clear that the program is supposed to employ a progressive engagement model, with the level of services increased as necessary to keep families in stable housing. However, that idea has been lost in the rush to push families off the program in order to make room for families currently in shelter. A program that was truly centered on a progressive engagement model would be flexible enough to extend the subsidies of families in rapid re-housing or to transition them to a local housing voucher or the Permanent Supportive Housing program, as appropriate. As long as families continue to work towards self-sufficiency, the program should continue to work with them to maintain their housing stability. No family should be sent over the cliff and cycled back into shelter to start again from square one.

Although current DC law should prevent DHS from terminating a family's subsidy based on a time limit, this has not stopped literally hundreds of these terminations in the last year. As such, the DC Council should amend the Homeless Services Reform Act ("HSRA") to set specific guidelines for terminating a family's rapid re-housing subsidy. Most importantly, this amendment should make it clear that families should not be terminated from rapid re-housing if they are likely to end up becoming homeless once again.

Refocusing on Long-term Affordable Housing

While ending the cliff would go a long way towards protecting families in rapid re-housing, it is important to recognize that this program will likely never be an effective intervention for the majority of the families experiencing homelessness in the District. The rapid re-housing model has an unavoidable structural flaw when used in high-rent jurisdictions – families simply cannot increase their income enough to become self-sufficient. The fact that about one in six DC residents are living below the poverty line, combined with the surging cost of renting in the District, leaves DC ill-suited for an intervention like rapid re-housing.

Given the serious limitations of the rapid re-housing model in the District, policymakers should scale back their reliance on this program and refocus on funding long-term, deeply affordable housing programs in a manner that matches the need in the community. While increasing the supply of locally-funded affordable housing may be dismissed as unrealistically expensive, it may in fact be cheaper than rapid re-housing. Rapid re-housing costs approximately 45 percent more per family on a daily basis because the District is also paying for case management services. In addition, it is safe to assume that rapid re-housing families cycle into the District's expensive shelter system at a higher rate than voucher holders. A preliminary cost analysis that I'm currently working on suggests that over a five-year timescale vouchers and rapid re-housing come out about even in cost. Further research into this question could provide additional support for shifting the system away from rapid re-housing.

In practical terms, refocusing on truly affordable housing means substantially increasing funding for long-term housing solutions and ensuring that that funding is going to the right places. The Fair Budget Coalition platform is a good starting point in terms of the scale of the need. In terms of targeting, policymakers must increase their oversight of the hundreds of millions of dollars in the District's Housing Production Trust Fund to make sure that it is funding projects that produce large-bedroom units with deep affordability. Equally important is the need for the District to stop providing political support and tax breaks for redevelopment projects that do little or nothing to help resolve the affordable housing crisis.

Proponents of rapid re-housing frequently point out that the homeless services system cannot be expected to singlehandedly solve DC's poverty and affordable housing issues. This is clearly true. However, given that poverty and a lack of affordable housing are the driving forces behind skyrocketing family homelessness in the District, policymakers must invest in solutions that actually address these issues. In DC, short-term programs offer only short-term solutions. Only by refocusing on long-term affordable housing will the District be able to ensure that every family has a safe place to call home.

Thank you for the opportunity to testify today.