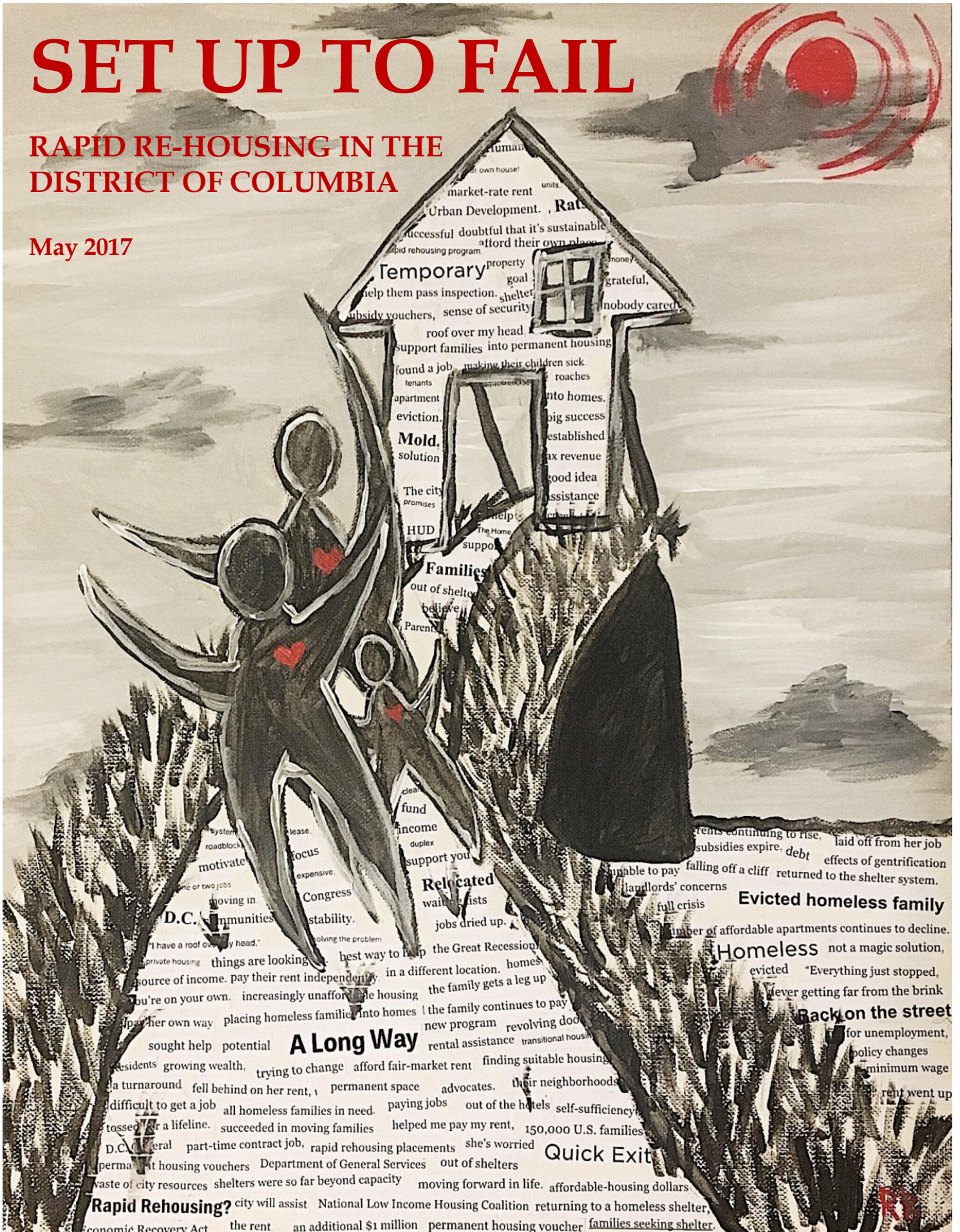


SET UP TO FAIL

RAPID RE-HOUSING IN THE DISTRICT OF COLUMBIA

May 2017



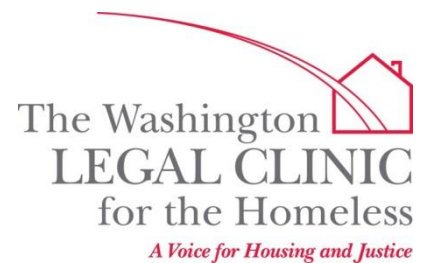
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RAPID RE-HOUSING IN THE DISTRICT OF COLUMBIA

May 2017

Max Tipping, Esq.
Washington Legal Clinic for the Homeless

Cover art by Raven Best



www.legalclinic.org

About the Washington Legal Clinic for the Homeless

For more than 30 years, the Washington Legal Clinic for the Homeless has broken down barriers to access to justice for people struggling with homelessness and housing insecurity in the nation's capital. Our vision is of a just and inclusive community for all District residents, where housing is a human right and where every individual and family has equal access to the resources they need to thrive.

The Legal Clinic approaches direct legal representation and advocacy work from the foundational principle that our role is not to speak for our clients, but to amplify community voices. We take a holistic approach to the pursuit of housing justice by creatively employing legal strategies in order to address the acute needs of people experiencing homelessness in DC, as well as to prevent further homelessness caused by displacement and loss of affordable housing. As a privately funded not-for-profit organization rooted in the experience of direct legal service work, we blend the following strategies in our advocacy for long term improvements in programs that serve the low and no income community in Washington, DC.

- Impact litigation
- Direct representation of individuals in litigation and advocacy with government agencies
- Direct representation of tenant associations
- Systemic advocacy around DC budget and legislative policy
- Grassroots community outreach and engagement
- Tapping into the Washington, DC legal community's pro bono culture
- Building public awareness through presentations, trainings and advocacy

About the Author

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EXECUTIVE SUMMARY

The District of Columbia has committed to making homelessness “rare, brief, and non-recurring” by 2020. Unfortunately, DC’s rapid re-housing program for homeless families is undermining this admirable goal and risks driving many of the District’s most vulnerable residents further into poverty.

The rapid re-housing model was originally designed to help a small subset of homeless families with children to regain self-sufficiency and stable housing by providing time-limited rental assistance and case management. It has since expanded into the one-size-fits-all tool for addressing the District’s family homelessness crisis. At this point, there are more than 4000 people, mostly children, in a deeply flawed program that cycles many participants right back into homelessness.

This report describes the experiences of five families in the program to provide a ground-level view of the many issues families face in rapid re-housing. Unfortunately, the problems highlighted by these stories are recurring features of rapid re-housing rather than one-off events, as this report demonstrates through the available aggregate data on the program. For example, this report found that families struggle to find decent, safe housing, which is unsurprising given that notorious slumlord Sanford Capital received more than \$100,000 of these government-funded subsidies in a single month. In addition, families face continued instability in a program that is theoretically meant to stabilize them, with some required to pay 60 percent of their limited incomes towards the rent, and the program sometimes failing to pay its portion of the rent. As a result, 45 percent of families that have been receiving rapid re-housing assistance for at least one year have ended up in eviction court while they are still in the program. Most troubling is the rapid re-housing cliff, where the subsidy expires and the family is expected to pay the full market rent. On average, families only have enough income to cover 40 percent of the market rent, making it impossible for them to afford the rent after the subsidy ends. After being terminated

Key Findings

Overreliance on the Rapid Re-housing Model

- Over 4000 people, mostly children, are in the DC rapid re-housing program
- Rapid re-housing is the primary tool for moving homeless families out of shelter
- Relative to the District, only one state is more reliant on rapid re-housing

Families Struggle to Find Safe Housing

- 4 out of 5 families interviewed report poor conditions in their apartments
- Sanford Capital received over \$100,000 in rapid re-housing subsidies in a single month

Barriers to Housing Stability

- By design, families are rent burdened the entire time they are in the program
- Over a one year period, only 10% of families were able to increase their income
- 45% of families end up in eviction court while they are still in rapid re-housing

The Rapid Re-housing Cliff

- On average, families’ total monthly income only covers 40% of the market rent
- 314 families were terminated due to time limits in the last 18 months
- 693 of the 1,358 families in the program are at risk of termination due to time limits

An Illusion of Success

- Rapid re-housing proponents argue that the program is 85% “successful” in the District
- But only 2 out of every 5 families are able to maintain their housing independently

from rapid re-housing, many return to homelessness, now with an eviction or rental debt on their record.

The dramatic expansion of this program over the last five years has been premised on claims by rapid re-housing proponents that it is 85 percent “successful.” However, by taking a more critical look at the available data, this report reveals that the program’s success is illusory, with only two out of every five families able to maintain their housing independently after the subsidy ends.

Finally, this report proposes concrete reforms to the legal framework underlying rapid re-housing to ensure that families have safe housing and are able to remain stable in the program, as well as to increase transparency and accountability for this \$31.6 million program.

Most importantly, this report proposes an immediate statutory change to end the rapid re-housing cliff and to ensure that families are not constantly cycling in and out of homelessness. Just like other crucial human services such as TANF, arbitrary time limits should have no place among housing programs in the District.

While these changes would be beneficial, the unfortunate reality is that a temporary program like rapid re-housing cannot succeed in a high-rent jurisdiction like DC because families cannot increase their income enough to afford market rent. As such, this report makes clear that the District must refocus its resources on long-term affordable housing. Although alternatives to the current rapid re-housing based system are often dismissed out of hand as too costly, this report reveals that providing long-term affordable housing vouchers to families would actually only be an additional \$1,300 per family per year over the next five years, and would be far more effective and humane.

Summary of Recommendations

Ensuring Safe Housing

- Mandatory quality inspections of all units
- Allow families to withhold rent if there are housing code violations
- Relocate families if health or safety is at risk
- Three-way contracts between families, landlords, and rapid re-housing program
- Cut off government support to slumlords

Increasing Housing Stability

- Only require families to pay 30% of their income towards rent and utilities
- Immediately adjust families’ portion of the rent when their income decreases

Ending the Rapid Re-housing Cliff

- Immediate statutory change to end terminations based on time limits
- As with TANF, arbitrary cliffs should have no place among DC human services programs

Improving Transparency & Accountability

- Clarify rapid re-housing regulations
- Publish rules for Targeted Affordable Housing
- Ask families for input on the program

Refocusing on Long-term Affordable Housing

- Rapid re-housing is never going to be effective in a high-rent jurisdiction like DC
- Long-term housing vouchers result in much better outcomes for families and would only cost an additional \$1,300 per family per year

The District’s current rapid re-housing based system is failing to provide families with safe, stable housing and all but ensures that homelessness is in fact “recurring” for thousands of DC residents, most of whom are mothers with young children. If the District actually hopes to end family homelessness, then it is time for a different approach that makes sense for DC families and does not set them up to fail.

BACKGROUND

On a single night in January 2016, there were 1,491 families, including more than 2,700 children, experiencing homelessness in the District of Columbia.¹ This is not normal, this is a crisis. These figures are the highest ever seen in the District, with the number of people in families surpassing the number of single individuals experiencing homelessness for the first time.² While family homelessness is decreasing on a national level, the District has seen an increase of nearly 75 percent in just five years.³ This crisis of family homelessness is primarily driven by the continued loss of DC's affordable housing, most recently seen in development projects like Brookland Manor that do not include large-bedroom units suitable for families.^{4,5} At this point, a single parent in the District who is earning the minimum wage would need to work 17 hours per day, 7 days per week in order to afford a two-bedroom apartment at the Fair Market Rent of \$1,623 per month.⁶

In response to the District's mounting family homelessness crisis, the DC Department of Human Services (DHS) launched the Family Re-housing and Stabilization Program (FRSP) in 2012. FRSP is a rapid re-housing program that is designed to help homeless families move directly back into market rate housing by providing rental assistance and case management. The rapid re-housing model is based on the idea that most people experiencing homelessness will be able to become self-sufficient and regain stable housing with a short-term rental subsidy and minimal supportive services. Rapid re-housing generally uses a "progressive engagement" approach where the amount of assistance a participant receives starts small and increases as necessary to keep them stable.

While family homelessness is decreasing on a national level, the District has seen an increase of nearly 75 percent in just five years.

This model first emerged on a national scale after the 2008 financial crisis, and was envisioned as a way to help individuals and families that had lost their jobs get back on their feet. Since that time federal support of rapid re-housing has dramatically expanded. From 2013 to 2015, the number of rapid re-housing "beds" available in homeless services systems nationwide more than tripled.⁷ Rapid re-housing "champions" are pushing for the model to be further expanded nationwide, with the goal of having rapid re-housing be the "primary homeless system intervention."⁸

In the District, families participating in the FRSP rapid re-housing program live in a private apartment that they find and lease in the rental market. Participants are required to pay between 40 and 60 percent of their income towards the rent and the program pays the landlord the remainder of the rent owed under the lease agreement. DHS has a contract with The Community Partnership for the Prevention of Homelessness (The Community Partnership), which has historically been the primary contractor for most of the District's homeless services, to manage the day-to-day operations of the program. As currently designed, the program is intended to provide no more than 12 months of rental assistance, with some exceptions.

Families are also supposed to receive case management services through one of 13 different organizations that are assigned to the family by DHS or The Community Partnership.

Rapid re-housing is now the District's one-size-fits-all tool for addressing the family homelessness crisis and essentially the only assistance offered to homeless families to move out of shelter.

Similar to the federal model, DC's rapid re-housing program was first seen as a means of helping a limited range of people who were in need of only 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 essentially the only assistance offered to homeless families to move out of the District's shelter system. The annual budget for the program is now more than \$31 million, approximately

75 percent of which is local funding.⁹ There are currently over 4,000 people in approximately 1,350 families in this program, including about 2,300 children.¹⁰ Except for Washington, no state relies more on rapid re-housing programs than the District, with rapid re-housing accounting for nearly one out of every five "beds" in the homeless services system.¹¹

At first glance, rapid re-housing may appear to be a useful way to address family homelessness in the District, but this illusion quickly unravels under scrutiny. Relying on misleading data that overstates how "successful" the program has been in DC, supporters of the program, both in and out of government, have perpetuated the myth that rapid re-housing is helping to address a crisis of family homelessness caused by soaring rents and deeply entrenched poverty. These supporters have ignored or downplayed the obvious structural flaw of using a rapid re-housing model in a high-rent jurisdiction like DC – most homeless families cannot increase their income quickly enough to afford market rent, and as a result they risk cycling right back into homelessness when the program ends. The unfortunate reality is that temporary housing subsidies are not a solution to family homelessness in the District's expensive housing market. The math simply does not add up. Instead, the program effectively sets families up to fail, offering a façade of stable housing but sending families over a financial cliff when the subsidy expires. For nearly five years, the rapid re-housing illusion has prevented policymakers from investing the resources that are necessary to actually help families stabilize and thrive.

This report will seek to break down the rapid re-housing illusion by presenting a straightforward assessment of how the program actually functions in DC. Although the focus will be on rapid re-housing under Mayor Bowser's administration, that should not be understood to suggest that this program worked well for families under Mayor Gray's administration. To be clear, it did not.¹²

The program effectively sets families up to fail, offering a façade of stable housing but sending families over a financial cliff when the subsidy expires.

There were three primary sources of information on the District's rapid re-housing program that were used for this report. First, the author works as an attorney at the Washington Legal Clinic for the Homeless as part of an Equal Justice Works fellowship project that is sponsored by Greenberg Traurig LLP and Steptoe & Johnson LLP. The goal of the project is to improve the housing stability of families in rapid re-housing. Since the fall of 2015, the author has worked with more than 100 families in the program, learning from their experiences and representing them in legal matters. Second, the District collects aggregate information on families in the program using the Homeless Management Information System, or HMIS. Some of this HMIS data has been publicly released to the DC Council in response to oversight questions. Additional HMIS data has occasionally been shared with the author by The Community Partnership and DHS. Finally, the author received some of the information provided in this report from DHS in response to a Freedom of Information Act (FOIA) request.

The first section of the report will provide a ground-level view of rapid re-housing by describing the experiences of several families in the program. The second section will take a broader look at the program by examining the available aggregate data on rapid re-housing. The third section will break down the national and local data that is used to perpetuate the rapid re-housing illusion. The final section will propose recommendations on how to reform the rapid re-housing program and better address family homelessness in the District of Columbia.

THE FAMILY-LEVEL PERSPECTIVE OF RAPID RE-HOUSING

Many families in rapid re-housing tend to go through a similar cycle. They move from shelter into an apartment that is in poor condition, receive limited support from their rapid re-housing case manager, and then the subsidy is cut out from under them. This section will describe the experiences of five families – Ms. H, Ms. M, Mr. C, Ms. R, and Ms. J – that the author has worked with in the last year to demonstrate the rapid re-housing cycle in real terms. Each family reviewed and approved the following descriptions of their time in rapid re-housing. Their stories highlight problems with housing code violations; problems relocating to a new unit due to poor housing conditions, domestic violence, and general safety concerns; problems getting their portion of the rent adjusted when their income changes; poor case management; no case management; and problems with the subsidy being terminated, both with and without due process. These families' experiences represent but a few examples of the struggles of the thousands of parents and children in rapid re-housing; a conversation with nearly any family in the program is likely to reveal similar issues.

Ms. H - "People are set up to fail and not to succeed."

Ms. H first became homeless in 2010 when she was fleeing domestic violence. She and her son were placed at DC General, the once abandoned hospital that is currently the District's primary family shelter, for a while until her son got sick and they were relocated to a different shelter. In 2011, they moved out of shelter as part of the Scattered-Sites Transitional Housing Initiative (STI), a precursor to rapid re-housing that helped families with children move out of shelter by providing time-limited rental assistance. The STI program was abandoned after a few years once it was clear that participating families were unable to secure stable housing without additional assistance. When Ms. H's STI assistance expired she was transitioned into the rapid re-housing program.

Ms. H's son is autistic and has had significant behavior problems at school that have prevented Ms. H from keeping a job since he was in kindergarten. As a result, the family's income consisted of Temporary Assistance for Needy Families (TANF) and a disability check for Ms. H's son, a total of about \$800 per month. While this is more income than most families in rapid re-housing have, it is nowhere near enough to afford market rent in DC without assistance.

The basement apartment that Ms. H and her son lived in during most of their time in STI and rapid re-housing was in poor shape. Ms. H frequently battled floods, rodents, and roaches. At one point the building was sold to a new landlord and Ms. H was hopeful that things would get better. But even with a new owner of the building, Ms. H's numerous repair requests failed to fix the many problems with the apartment, and the rodent infestation continued unabated. Ms. H submitted several requests to the rapid re-housing program that she be allowed to relocate to a different apartment because the conditions were exacerbating her son's asthma. She provided

doctor's notes and hospital records showing that the apartment was dangerous for her son. All of her relocation requests were denied.

After her son suffered a particularly severe asthma attack that sent him to the hospital for the second time in seven months, and Ms. H discovered four mice in the apartment in a single night, she chose to abandon the unit and return to shelter rather than continue to put her son's health at risk.

Ms. H and her son are still in shelter.

Ms. M – "It's terrible. By the time you get stable the program is over and you have to break your kids' hearts again when you go back to shelter."

When Ms. M and her children became homeless in 2012 it was the second time they had been in shelter in two years. The first time they became homeless they moved out of shelter with rapid re-housing assistance, only to end up back in shelter a few months after the subsidy expired. But with no other options, Ms. M agreed to try rapid re-housing a second time in 2014.

They moved from the shelter into a four unit building that was occupied exclusively by families in rapid re-housing. The unit was in very poor shape with severe rodent and mold infestations. While Ms. M struggled with these housing code violations, her rapid re-housing case managers did little to help. Indeed, they were rarely around long enough to help; during her second time in the program, Ms. M was assigned four different case managers.

Despite the abysmal condition of the unit, the landlord was charging \$1,450 in monthly rent, 20 percent more than the average rapid re-housing unit in DC. It took a report by Channel 4 news before the program agreed to move the families from the building back into shelter. (Note: Six months after that news report, another family entered rapid re-housing and moved into that building. The total rent being charged for the unit is \$1,487, most of which is covered by the rapid re-housing program).

After several months in shelter, Ms. M found a new unit with rapid re-housing, now her third time going through the program. Unfortunately, only a few months later she had to abandon the unit due to domestic violence. Although her case manager at the time was aware of her situation, Ms. M was not relocated to a different unit. Instead, after staying with various friends for a few months, Ms. M ran out of options and entered shelter again. Even though she was fleeing domestic violence, DHS sought to terminate her from shelter, instead arguing that she had a safe place to stay in the rapid re-housing unit, despite the risk of further violence by her abuser. Ms. M had to file an appeal with the Office of Administrative Hearings (OAH) before the DHS decision was reversed and she was allowed to remain in shelter.

Ms. M and her children are still in shelter. They are being offered rapid re-housing to move out.

Mr. C – “I feel like I’m in a hole. I can see the sunlight but can’t get out.”

Mr. C became homeless with his two children in 2013. They stayed at DC General for about one year before moving out with rapid re-housing in the beginning of 2014. The apartment was in decent shape, although they had persistent issues with rodents and roaches. Mr. C was assigned a case manager through rapid re-housing and participated in every job training program he could find. After about a year in the program, the case management ended without any clear explanation.

Despite his best efforts Mr. C was not able to find a steady job, so he continued receiving TANF. Shortly after the rapid re-housing case management ended, the family’s TANF amount was decreased, but without a case manager Mr. C could not figure out how to get his portion of the rent to go down accordingly. As a result, he ended up paying \$208 in rent each month even though he only received \$277 in TANF. Since utilities are not covered by rapid re-housing, he was forced to juggle rent, utilities, and other necessities each month. Mr. C would get behind on the utilities until they were cut off, then he would figure out a way to get the money to get them turned back on, but by then he was behind on the rent, and the cycle of shuffling the family’s limited money around repeated itself.

The subsidy continued for about one year past the end of the case management, until the fall of 2016, when one day Mr. C heard from his landlord that the program was not paying its portion of the rent anymore. He never received a notice that the subsidy was ending, but suddenly he was nearly two months behind on the rent. The rapid re-housing program, unlike most other housing voucher programs, does not have three-way contracts that make DHS legally responsible for its portion of the rent. As a result, when DHS stops paying its portion, whether by mistake or on purpose, only the family is held accountable. Mr. C’s landlord filed for eviction and it looked like his family was heading back to DC General.

Thankfully, Mr. C filed an administrative appeal with OAH, and the judge agreed that the program had failed to follow the basic due process requirements of DC law. After an order from OAH, Mr. C’s subsidy was restored. The eviction case was eventually dismissed, and Mr. C was assigned to a new case manager.

Despite repeated requests to adjust his portion of the rent, Mr. C is still paying over 60 percent of his income in rent each month, not including utilities. He could not afford a present for his daughter’s birthday in April.

Ms. R – “If the goal of this program is to help families regain stability, they’re failing.”

Ms. R had a steady, well-paying job for most of her life. Her son was born in 2010 and by the time he was in daycare, Ms. R discovered that he suffered from serious behavioral issues. At one point, Ms. R was called out of work 32 days in a row to pick up her son from school because

he had acted out violently and the school did not know what to do with him. She eventually lost her job, and consequently, her apartment.

Ms. R and her two children (she also has a teenage daughter) stayed with friends for nearly a year before they applied for shelter in December 2013. After initially being denied because the weather was not cold enough, they were eventually placed at one of the motels the District uses as overflow space when DC General is full. A few weeks later Ms. R found out that she could get rapid re-housing assistance if she found an apartment. That day, she applied for and accepted the first apartment that was offered to her.

Soon after moving in, Ms. R realized she had made a mistake. In addition to dealing with a mice infestation that aggravated her son's asthma and broken pipes that caused water damage, Ms. R struggled to get the property manager to respond to her basic repair requests. She was forced to spend what little money she had to make repairs and deal with the rodents herself.

Ms. R's first case manager in rapid re-housing seemed helpful and eager to assist. But as soon as she left, all effective case management ceased. Ms. R has been assigned five case managers while in the program. Most of them rarely came around and when they did, it was just to recertify Ms. R for the program. They always seemed rushed and never had anything to talk about or offer. There is a lot of help Ms. R would have been happy to accept. For one thing, she needed specific resources for her son to improve his health and socialization, but the resources the caseworkers would offer her were generic and not age appropriate.

To further add to Ms. R's struggles in the program, in early 2016 she was robbed at gunpoint by one of her neighbors as she was on her way back home. She no longer felt safe even being inside her apartment and reached out to her case manager to request that her family be moved. She was told that the program does not move families in these situations and that she would not continue receiving rental assistance if she moved on her own. With only \$154 in monthly income from TANF, moving without the subsidy was not an option, so they stayed.

During her time in the program, Ms. R was repeatedly told by her case managers that they would stick with her as long as she kept working towards self-sufficiency. In June 2016, shortly after one of these conversations, a new case manager showed up at Ms. R's house and gave her a notice that the subsidy was over and that day was the last time the program would pay a portion of the rent. As she would later find out from conversations with staff at her case management organization, Ms. R was one of 30 families assigned to that organization that received termination notices that month because they had reached a time limit in the program.

Ms. R appealed the termination and won her Administrative Review. The termination was reversed and her subsidy remained in place. It even looked like she might get transferred to a long-term housing program.

In March 2017, Ms. R received another notice that her rental assistance is ending.

Ms. J - "This program is a total fail. I got no help. Something's got to change."

Ms. J first became homeless in 2004. Her daughter was only an infant when they were placed at DC Village shelter, the precursor to DC General that was closed in 2007. They were moved into another shelter program before eventually moving into an apartment with the STI program.

Ms. J receives disability assistance due to a number of serious health conditions that prevent her from working, so she is not able to increase her income enough to take over the full market rent.

In 2013, Ms. J was told by her STI case manager that the program was ending and the family was transferred to rapid re-housing. Since then, Ms. J has never heard from another case manager.

Last year Ms. J's name finally came up on the DC Housing Authority waitlist and, with assistance from staff at The Community Partnership, her family was found eligible for a federal housing voucher. But before she had a chance to either find a new unit or start the DC Housing Authority inspection and lease up process, she got a notice in the mail saying that her rapid re-housing subsidy was ending. After filing an appeal with OAH, the program agreed to extend the rapid re-housing assistance until the housing voucher was in place.

Despite the fact that the program has accidentally failed to pay its portion of the rent several times since then, Ms. J's journey from homelessness to stable housing is nearly complete, with the housing voucher set to take over much of the rent soon. Her daughter is now 13 years old.

THE SYSTEM-LEVEL PERSPECTIVE OF RAPID RE-HOUSING

As seen from the stories above, families encounter a wide range of problems while in rapid re-housing. While every family's experience is different, they do tend to follow a similar cycle, with families struggling to find safe housing and remain stable in the program, and then dealing with the financial cliff when the subsidy ends. This section will examine this cycle in more detail using the available aggregate data on the program.

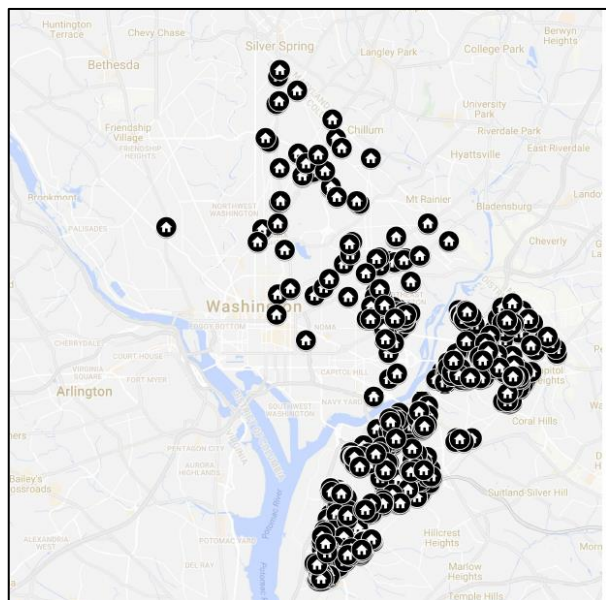
Finding Safe Housing

The first problem that families in shelter face after being approved for rapid re-housing is finding a landlord that will rent to them. While many families have poor credit or rental histories, perhaps the most significant barrier is that landlords do not want to rent to a family if the subsidy is going to expire and the landlord will have to evict them. Even though it is illegal under the DC Human Rights Act to refuse to rent to a family on the basis that they are receiving a subsidy through rapid re-housing, families in shelter report that most of the landlords that they contact will not accept rapid re-housing. As a result, most families stay in shelter for more than six months before moving out with rapid re-housing.¹³

In addition to longer shelter stays, the other predictable outcome is segregation. Only one family lives west of 16th Street, 1.5 percent of families live west of North or South Capitol Street, and over 90 percent live east of the Anacostia River.¹⁴ See Figure 1.

While families are continuously turned away by many landlords in the District, some landlords have recognized an opportunity in rapid re-housing, one with an expensive price tag for

Figure 1: Locations of rapid re-housing units in DC.



taxpayers. With DHS desperate to move families out of shelter, these landlords have learned that they can take advantage of a program that is willing to pay a premium for housing that is often substandard. In one case, upon learning that a family was in the rapid re-housing program, the landlord raised the quoted monthly rent by 25 percent, noting that this was standard practice for any of the units rented through rapid re-housing and had been approved by the case manager for the program. In another case with a different landlord, the unit was advertised as renting for \$799 all utilities included, but when the family went to sign the lease they were told that the rent was now \$1100 with no utilities included. When they asked for an explanation, the

landlord said that the program allows them to charge a higher rent for rapid re-housing units. This family's subsidy recently ended and they are now responsible for the full \$1100 rent. Unfortunately, but unsurprisingly, they are currently being sued for eviction.

Figure 2: Mold on the wall of a rapid re-housing unit.



The worst landlords involved in the program seem to prey on families that they know have nowhere else to go. The author has personally worked with dozens of families reporting severe housing code violations, from broken appliances to mold to rodents to flooding. See Figures 2 and 3. Of the families in the program that the author specifically asked whether they had any problems with poor housing conditions, four out of five said “yes.” Besides the termination of the subsidy, housing code violations were the most common legal problem of families that contacted the author.

Despite statements from administration officials suggesting that families will simply be relocated if there are unresolved housing code violations, in practice this solution is nearly impossible to achieve.¹⁵ To start, relocating often requires the family to break their lease with the landlord, potentially resulting in debt or a negative reference. In addition, it is exceedingly difficult to convince

The Community Partnership or DHS to grant relocation requests. Even if the relocation request is approved, it can take months to locate a new unit that accepts rapid re-housing and is not also in poor shape. Finally, even among landlords that normally accept rapid re-housing, many are unwilling to rent to a family if they have already been in the program for several months because the program will not guarantee a full year of assistance before the subsidy ends.

Slumlords that calculate that the program will almost certainly continue paying the rent regardless of the conditions are not incorrect. Unlike housing vouchers administered by the DC Housing Authority, there is no clear mechanism in rapid re-housing for cutting off the program portion of the rent if there are housing code violations. Even if there was, that would leave the family legally responsible for the entire rent because they are the only ones

Figure 3: Mice on a sticky trap in a rapid re-housing unit.



that sign the lease agreement with the landlord. Without a three-way contract between the landlord, subsidy provider, and tenant, as exist in most other housing voucher programs, DHS or The Community Partnership cannot end the program portion of the rent without putting the family at risk of eviction. In addition, under the rules of the program, families that exercise their legal right as tenants in DC to withhold their rent risk having their subsidy cut off, leaving them with even less leverage to demand that their landlord remedy housing code violations.¹⁶ There is also no mechanism that prevents bad actors from receiving rapid re-housing funds. As a result, known slumlords continue to receive government money through this program. In November 2016 alone, Sanford Capital, one of the District's most notorious slumlords, received at least \$103,000 in rapid re-housing subsidies.¹⁷

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Barriers to Housing Stability

While the stated purpose of the program is to help families “achieve stability in permanent housing,” a number of barriers prevent many families from remaining stably housed during their time in rapid re-housing.¹⁸

As families move through the program, they are supposed to be paired with a case manager. The cost of these services is approximately \$790 per family per month, with an annual budget of more than \$11 million for the program overall.¹⁹ The author has worked with families assigned to 12 of the 13 organizations that are contracted to provide case management for the program.

Families report that the case management generally consists of little more than filling out a monthly budget and signing off on a few forms. While there are certainly some great case managers, they are likely to be overwhelmed by the colossal task of helping families increase their incomes enough to afford market rent in DC in such a short time period. Staff turnover is high, with some families reporting that they have had four or more case managers during their time in the program.

The families in this program face a plethora of obstacles to making enough money to afford market rent. Many are young, single parents with young children. One out of every four heads of household is under the age of 24.²⁰ About 70 percent receive TANF and nearly 13 percent receive SSI or SSDI.²¹ Many have never had an apartment of their own and do not have a high school diploma or the job skills necessary to find full-time employment. Even if they do find full-time employment, it is exceedingly difficult for them to arrange and pay for adequate childcare. Given these barriers it is not surprising that the average monthly income of families in rapid re-housing is below \$500.²² In FY 2016, only 10 percent of families increased their income.²³ Across all families in the rapid re-housing program, monthly incomes increased by an average of only \$68.²⁴

Figure 4: Monthly budget of a parent and child in rapid re-housing whose only income is TANF.

Income	\$398
Rent	- \$214
Utilities	- \$83
Everything Else (<i>transportation, clothing, healthcare, household supplies, food not covered by food stamps, phone, etc.</i>)	= \$101

In addition, most families struggle to afford even their portion of the rent under the program. Under the federal standard of housing affordability, a family is considered “rent burdened” if they are paying more than 30 percent of their income towards their housing costs (rent and utilities), and “severely rent burdened” if they are paying

more than 50 percent.²⁵ Under the rules of rapid re-housing, families are required to pay between 40 and 60 percent of their income towards their rent and must pay for utilities if not already included in the rent.²⁶ As a result, the rapid re-housing rules effectively mandate that most families will be severely rent burdened the entire time they are in the program.

The consequences of this policy are best illustrated with a hypothetical. If a single parent in rapid re-housing with one child receives \$398 in TANF as their sole source of income, they will pay a minimum of \$143 in rent and perhaps as much as \$214. In the latter scenario, that means that paying rent and an average DC utility bill of \$83 would account for 75 percent their income, leaving as little as \$101 for everything else that month.²⁷ See Figure 4. As a result, this family would likely be forced to significantly reduce their spending on other crucial needs such as food, transportation, and healthcare.²⁸ The situation becomes even more dire if the family has been on TANF for more than 60 months, as their monthly income would only be \$122. It is impossible for these families to stabilize, much less get ahead, when they cannot even afford to meet their basic needs.

The rapid re-housing rules effectively mandate that most families will be severely rent burdened the entire time they are in the program.

Operational issues with the program also threaten families’ stability. If a family’s income decreases it can be months before their portion of the rent is lowered accordingly. This delay is mainly due to the fact that a change in a family’s income must be extensively documented, and that such documentation goes to the family’s case manager, to a supervisor at the provider organization, to staff at The Community Partnership or DHS, and finally to the DC Housing Authority. With so many layers of bureaucracy, mistakes are inevitable and widespread, sometimes taking months to resolve. Nearly every family the author worked with paid more rent than they should have for at least a few of the months that they were in the program, including some families that were supposed to pay more than their entire monthly income as their portion of the rent. To further complicate matters, the program will sometimes mistakenly fail to pay its portion of the rent. From October 2016 to March 2017, the program failed to pay its portion of the rent on time on 355 occasions.²⁹

As a result of these barriers to housing stability, families are frequently put at risk of eviction through no fault of their own. Despite the fact that this program is theoretically meant to

stabilize families, approximately 45 percent of families that have been in rapid re-housing for at least one year have been sued by their landlord for eviction.³⁰ This astounding figure shows that rapid re-housing in DC is so poorly designed and managed that these families are unable to “achieve stability” even while they are receiving a subsidy and case management through the program. About one out of every five families that contacted the author was seeking help in eviction court. Regardless of whether an eviction actually takes place, these families now have a permanent mark on their record that will make it much harder to obtain housing in the future.

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The Rapid Re-housing Cliff

The final and most harrowing experience of families in rapid re-housing is the “cliff,” where the subsidy is terminated and the family becomes responsible for the full market rent.

As currently designed, rapid re-housing is meant to operate as a 12-month subsidy. However, the average time in the program is now 24 months.³¹ In essence it has been operating as an extension of the District’s shelter system, a holding place for homeless families that are technically no longer considered homeless but are always right on the edge.

Under the Gray administration, families were cycled through the program very quickly, often receiving only four months of assistance and being terminated without regard for their ability to pay the market rent.³² This resulted in both severe instability among families and serious distrust of the program by local landlords. At the start of the Bowser administration, DHS adopted the more humane and reasonable policy of not sending any 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 “would end up back in the homelessness system--which would be more costly” for the system as well as incredibly traumatic for families.³³ As a result, families were extended in the program in the hope that they would eventually be able to afford the rent on their own.

Unfortunately, the pressures on the emergency shelter system for families made it difficult to maintain this policy. New families become homeless and need shelter every day. There is a limited quantity of emergency shelter “beds” for families, so families need to move out of shelter for newly homeless families to come in. As of right now, families’ only way out of shelter is through rapid re-housing. And since rapid re-housing funding is generally flat 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.

So DHS changed its policy. From September 2015 to May 2016, the author did not encounter a single family that was being terminated from the program for exceeding a time limit. But starting in May of 2016, DHS began mass terminations of families’ rental subsidies based on

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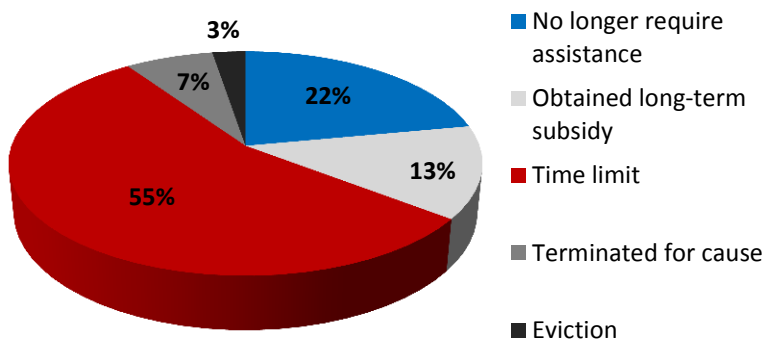
time limits, without regard for their ability to maintain their housing. Since then, the author has spoken with dozens of families facing termination from the program. In fact, half of the families that contacted the author were seeking legal assistance because their rapid re-housing subsidy was being terminated due to a time limit. The author has represented 18 of these families in appeals at the DC Office of Administrative Hearings, some more

than once. The sole source of income for 12 of these 18 families was TANF or disability assistance. Most of these terminations were overturned on appeal or rescinded by the program. Several cases are still ongoing.

While terminating families due to time limits appears to be contrary to both DC law and the progressive engagement approach that supposedly underlies the rapid re-housing model, that has not stopped DHS from pursuing hundreds of these terminations in the last year. Of the 571 families that have exited the program in the last 18 months, more than half exited because of a time limit.³⁴ See Figure 5. More than half of the families that are still in the program have been receiving assistance for more than one year, which according to DHS's interpretation of the law, means that nearly 700 families could be sent over the cliff at any time.³⁵

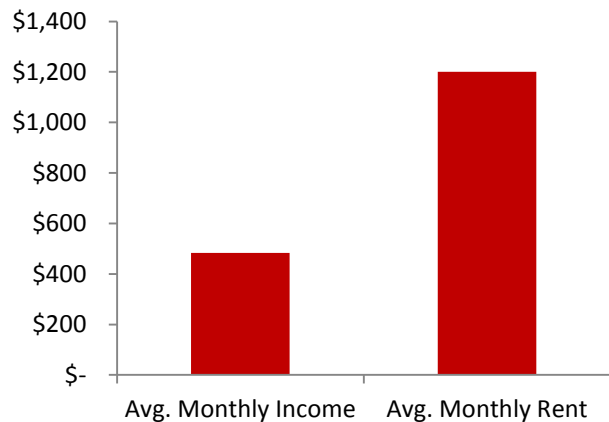
The available data strongly suggests that families exiting the program are not able to afford the market rent. According to DHS only 22 percent of families that exited in FY 2016 and FY 2017 (as of March 2017) were no longer in need of assistance.³⁶ See Figure 5. The author is personally aware of only three families that were able to sustain their housing independently after the subsidy ended, two of whom had to relocate to Maryland to find housing they could afford. As mentioned above, the average monthly income of families in the program is less than \$500, and only 10 percent of families increased their income in FY 2016.^{37, 38} Meanwhile, the average rent of a rapid re-housing unit is approximately \$1200.³⁹ Obviously, this math does not add up for families. See Figure 6.

Figure 5: Reasons for exit from rapid re-housing in FY 2016 and FY 2017 (as of March 2017).



The rules for the program only require that a family receive notice 30 days before their subsidy is terminated, which means that a family could receive a termination notice on the day of the final rent payment by the program.⁴⁰ They would then have one month to find a new place, secure additional income, or anything else necessary to avoid cycling back into homelessness.

Figure 6: Average income versus average monthly rent among rapid re-housing participants.



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. While they may be able to stave off eviction for several months, many will eventually be forced to leave the unit and reapply for shelter. Of the 127 families that exited the program for any reason (not just time limits) between December 31, 2016 and January 31, 2017, 25 percent were already in eviction court by the end of March.⁴¹

Rather than risk damaging their credit or rental history, it is likely that additional families chose to abandon their unit before their landlord filed a case in eviction court.

As of October 2016, one out of every eight families in the shelter system had already gone through a rapid re-housing program at least once.⁴² Unsurprisingly, many families in shelter are hesitant to participate in the program. They know that their chances of increasing their income enough to afford market rent are remote, and they know that they will be blamed when they end up back in shelter again. In short, they know the math does not add up, and many of them make the rational choice to avoid rapid re-housing and its inevitable cliff at all costs.

The families in the DC rapid re-housing program have been set up to fail. In effect, the program acts as a crucible for the District's most vulnerable families with children, with some families 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.

In effect, the program acts as a crucible for the District's most vulnerable families with children, with some families 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.

These numbers and figures can sometimes obscure what it really means for a family to lose the assistance that keeps them in stable housing. After working with families in the program for the last 18 months, the author has come to see the real-world cost of the rapid re-housing cliff. There was the young mother who had recently received a termination notice, and who cried as she considered what her four-year-old daughter would think if they returned to shelter. Her daughter was young enough to not realize what was happening the last time, but is now too perceptive to avoid the trauma that comes with homelessness. There was the

father who faced an impossible choice after the rapid re-housing subsidy vanished. He could either hold on to his family's home for as long as possible, accruing a balance to the landlord and getting an eviction on his record, or he could abandon the apartment before it irreparably damaged his credit and hope that he could get back into shelter with his children. The real-world cost of the cliff is hundreds of parents, like this mother and father, that understand deep down that this system has set them up to fail, but cannot find a way out.

THE “DATA-DRIVEN” ILLUSION OF RAPID RE-HOUSING

Given the many issues with rapid re-housing described above, the question becomes why has this program grown into DC’s primary tool for addressing the family homelessness crisis? The answer is that the problems associated with rapid re-housing are masked by the data promoted by rapid re-housing “champions.” The illusion that rapid re-housing is an effective means of addressing family homelessness in DC drives well-meaning people to cherry-pick the figures that support their established views and ignore the evidence that this program is setting families up for failure. Success is defined in the way that most favors the program and the system as a whole, but with little regard for the real-world outcomes of the program participants. However, a critical look at the data clearly demonstrates that rapid re-housing is a deeply flawed model for the District.

National Data

When confronted with aggregate data or individual stories that suggest that rapid re-housing does not work for families in the District, supporters of the program point to the supposed success of rapid re-housing on a national scale. However, there are a number of reasons to be skeptical of such claims.

First, there is evidence that while rapid re-housing may work in areas with a lower cost of living, it is not effective in high-rent jurisdictions. For example, New York City ran two large-scale rapid re-housing programs from 2005 to 2011, with 33,000 families exiting shelter with a rapid re-housing subsidy during that time.⁴³ One year after these rapid re-housing programs ended and families’ subsidies were terminated, 56 percent of families in the shelter system had been there at least once before, compared with only 26 percent before the rapid re-housing programs began.⁴⁴ Massachusetts had similarly negative experiences with rapid re-housing.⁴⁵ Of the families that exited one rapid re-housing pilot program, only 25 percent were able to remain housed without a rental subsidy.⁴⁶ Nearly 95 percent of the families that exited another Massachusetts rapid re-housing program to “stable housing” were still receiving some form of rental subsidy.⁴⁷ Indeed, common sense suggests that rapid re-housing may not be an effective intervention in areas where housing is very expensive. In low-rent jurisdictions, obtaining even a part-time job may allow a family to afford market rent relatively quickly. In contrast, in high-rent jurisdictions like DC, it is simply not feasible for families to maintain housing stability with the limited support offered by rapid re-housing.

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Second, many of the rapid re-housing programs that have been studied in other jurisdictions targeted assistance to people more likely to be successful in the program (i.e. those with income or the ability to quickly regain economic stability). For example, one study commissioned by

the U.S. Department of Housing and Urban Development specifically noted that “In communities where rental housing is in very short supply or rents are very high, [rapid re-housing] programs often adopted more stringent screening and selection criteria because of a concern that most families would be unable to increase their incomes significantly enough to pay rent without assistance after 12 to 15 months when the [rapid re-housing] rent subsidy would end.”⁴⁸ In contrast, the District currently uses rapid re-housing as a one-size-fits-all tool for every family experiencing homelessness, pushing families to accept the program regardless of whether they have any income or could potentially increase their income in the next year. Even families that receive disability assistance, and therefore will almost certainly not increase their income, are exited from shelter using rapid re-housing. Given these differences in targeting, it may not be possible to draw accurate comparisons between data from other jurisdictions and data from the District.

Third, it is often the case that only the portions of the national data that favor the rapid re-housing model are highlighted, while figures that suggest the program is failing to keep families in stable housing are disregarded. In particular, there is an emphasis on measuring returns to shelter without adequately examining other measures of housing stability, such as exiting the program to a permanent destination or relying on another rental subsidy. For example, when discussing the outcome of the federally-funded Rapid Re-housing Demonstration (RRHD) program, which funded and evaluated rapid re-housing programs in 23 communities, rapid re-housing proponents tend to focus on the fact that only 10 percent of families returned to shelter within one year of exiting the program.⁴⁹ While this positive outcome is certainly worth noting, it is equally important to note that one year after exiting the program only 47 percent of the families were maintaining their housing independently and only a quarter were in the same apartment.⁵⁰ Nearly one-third of families were receiving another housing subsidy one year after exiting rapid re-housing.⁵¹ While obtaining another housing subsidy is a good outcome for the family, it does not suggest that they are able to maintain stable housing because of rapid re-housing, but rather that their success is dependent on adequate investment in long-term housing subsidies. Similarly, supporters of rapid re-housing highlight that only 10 percent of families that exited the Supportive Services for Veteran Families (SSVF) rapid re-housing program, a federal program that assists veterans, returned to

By only focusing on how many families returned to shelter while de-emphasizing other negative outcomes, rapid re-housing champions hide families’ continued housing instability after the subsidy ends.

shelter within one year.⁵² What is rarely mentioned is that only about 43 percent of participants were able to exit SSVF to permanent housing without additional assistance provided by another rental subsidy program.⁵³ By focusing on how many families returned to shelter and de-emphasizing other negative outcomes, rapid re-housing champions hide families’ continued housing instability after the subsidy ends.

Fourth, the standard measure of success for rapid re-housing – how many families return to shelter – fails to fully capture how many families return to homelessness after the program ends. Returns to shelter are generally measured using data from HMIS which is not collected by directly tracking families’ outcomes after the program ends. Instead, HMIS only tracks whether families that exit rapid re-housing come back into a shelter program. It does not track whether a family was evicted, whether they are doubled up with friends or family, whether they are sleeping in their car rather than return to shelter, whether they enter a domestic violence shelter, or, especially relevant for the District, whether they are homeless in another jurisdiction. As a result, the standard measurement system for rapid re-housing success is guaranteed to overestimate the program’s effectiveness and provides a largely incomplete view of what happens to families after they exit the program.

Three years after families were assigned to receive a permanent housing subsidy they were “experiencing less doubling up, [were] more likely to live in their own place, and [were] living in less crowded conditions” than families assigned to receive rapid re-housing.

Finally, the only large-scale scientific study on the housing outcomes of families in rapid re-housing suggests that the program is far less effective than long-term housing vouchers and may not be any more effective than other homeless services programs. The Family Options Study was commissioned by the U.S. Department of Housing and Urban Development and employed an experimental design that randomly assigned 2,282 families in homeless shelters in 12

jurisdictions to receive priority access to rapid re-housing, transitional housing, a permanent housing subsidy, or “usual care” (i.e. no priority access to any program).⁵⁴ Based on a wide range of outcome measurements related to housing stability, family preservation, adult and child well-being, and self-sufficiency, families given priority access to rapid re-housing did little to no better than families assigned to receive “usual care” or transitional housing.⁵⁵ In contrast, three years after families were assigned to receive a permanent housing subsidy they were “experiencing less doubling up, [were] more likely to live in their own place, and [were] living in less crowded conditions” than families assigned to receive rapid re-housing.⁵⁶

When rapid re-housing is described as a “data-driven” and “nationally recognized” model, it is important to bear in mind that the reports cited above, along with a few consultants’ PowerPoint presentations that are not easily evaluated, account for most of that supportive national data.⁵⁷ Despite the obvious concerns that these studies should raise about the effectiveness of rapid re-housing, they form the basis for the continued expansion of a problematic model for addressing family homelessness.

DC Data

Similar to the national level reporting on rapid re-housing, two successive mayoral administrations have masked the most significant problems with rapid re-housing by

presenting the data in a manner that downplays the program's weaknesses and conceals what happens to families after the cliff. It is not uncommon for DC government officials to contend that 85 percent of families that participate in rapid re-housing are "successful," by which they generally mean that only 15 percent of families return to shelter within one year of exiting rapid re-housing.⁵⁸ Of course, any measure of success should include being able to meet basic needs and living in housing that is in decent condition, both of which are far from guaranteed in DC's rapid re-housing program. But even if success is only measured based on families' housing stability after the subsidy ends, the frequently cited 85 percent figure leaves out most of what is actually happening after families exit rapid re-housing.

Of the 571 people that exited the program in FY 2016 and FY 2017 (as of March 2017), only 416 families, or 73 percent, were reported as exiting to a permanent destination, meaning a stable, non-temporary place to call home.⁵⁹ A total of 76 families, or 18 percent of those going to a permanent destination, exited the program with a long-term housing voucher, which is a great outcome for the family, but their success cannot be attributed to the efficacy of rapid re-housing.⁶⁰ If anything, receiving a long-term housing voucher suggests that the family would not have been successful with rapid re-housing alone. So as a starting point, it appears that only 340 families, or 60 percent of all families exiting the program, were able to maintain their housing independently at the time the program ended.

Based on the standard DHS measure of success, 15 percent of families are going to end up applying for shelter again within one year. However, there are two reasons why this figure overestimates the success of the program and underestimates how many families will become homeless within one year. First, this figure is often reported based on a snapshot measurement that looks at total exits compared with total returns to shelter as of a particular date rather than waiting a full year after each family exits the program to take a measurement. As a result, there are likely many families that only exited a few months or weeks before the snapshot measurement and appear to be successful, but will still end up homeless within one year of exiting. Second, the way in which DHS measures success is based on HMIS data. As a result, it does not include families that are homeless again but doubled up with friends or family, are in a domestic violence shelter, are homeless in another jurisdiction, or even sleeping in their car to avoid going back to DC General. Based on the results reported by the Family Options Study and the RRHD outcome evaluation, both of which actually followed up with families rather than only relying on HMIS, it appears that somewhere between 15 and 29 percent of families may fall into this gap.⁶¹ With the goal of gaining a more accurate understanding of families' experiences after exiting rapid re-housing, this report will adopt a conservative estimate that 15 percent of families that exit rapid re-housing to a permanent destination will become homeless within one year but will not be counted in HMIS as having returned to shelter.

By combining the 15 percent of families that DHS reports will come back to shelter with the estimated 15 percent of families that will become homeless but not actually return to shelter, it appears that roughly 30 percent of families that exit rapid re-housing will become homeless

within one year. Therefore, out of the 340 families that successfully exited rapid re-housing to a permanent destination without additional assistance (see above), 102 of them (340*30%) will return to homelessness, leaving only 238 families (340-102) that will remain stably housed for one year.

With the adjustments described above, the available data show that only 238 families, or 42 percent of the 571 families that have exited the District's rapid re-housing program in the last 18 months, will be able to maintain their housing independently for one year after exiting the program. Therefore, based on a more realistic measurement of success that actually reflects families' real-world housing stability, rapid re-housing in DC appears to be roughly half as successful as is often claimed.

Based on a more realistic measurement of success that actually reflects families' real-world housing stability, rapid re-housing in DC appears to be roughly half as successful as is often claimed.

It should be noted that given the lack of publicly available data on rapid re-housing and the difficulty obtaining timely and complete information on the program, the above figures, while the best available at the time this report is published, are still only estimates. For example, while DHS generally claims that only 15 percent of families return to shelter, the most recently released data on this point was from

February 2016 and only captured families that exited rapid re-housing *prior* to when time limit terminations resumed in May 2016.⁶² Of course, more data on the program would always be welcome, whether by more regular releases of full information by DHS or increased oversight by the DC Council or the DC Interagency Council on Homelessness.

RECOMMENDATIONS

Given the many hardships faced by families in this program there is a lot of work to be done to reform the system and help families gain real housing stability. While many well-intentioned people are reluctant to acknowledge the problems with rapid re-housing because they believe that there is nothing that can be done to solve those problems, this is simply untrue. The proposed changes described below will improve the rapid re-housing program and help the District move towards a homeless services system that addresses the underlying causes of homelessness rather than setting up families to fail.

Ensuring Safe Housing

There are a number of reforms that could help address the widespread housing code violations in apartments funded by rapid re-housing. First, every unit should be required to pass a Housing Quality Standards (HQS) inspection conducted by a licensed inspector. These inspections are already supposed to be happening, but this requirement should be codified in either the Homeless Services Reform Act (HSRA) or the rapid re-housing regulations, and a copy of the inspection report should be included in families' case files for the program.

Second, families should be allowed to exercise their right as tenants under DC law to withhold rent if their landlord does not maintain the property according to the housing code. This will require a change to the rapid re-housing regulations, which currently leave families at risk of termination from the program if they withhold rent.⁶³ Alternatively, this right could be made clear by the DC Council by amending the HSRA.

Third, families must be allowed to relocate to a new unit if their health or safety is at risk. There is currently a provision in the rapid re-housing regulations that provides this right to a limited extent.⁶⁴ It should be expanded and further clarified to ensure that families with children are not trapped in dangerous situations.

Fourth, families should not be held liable for the program's portion of the rent. There are various ways to accomplish this change. At the very least, the HSRA should be modified to make it clear that a family is not legally responsible for the program's failure to pay the rent. However, a more effective solution would be to develop a three-way

Three-way contracts would allow the program to cut off its portion of the rent if the landlord is not taking care of the unit without jeopardizing the family's tenancy.

contracting process that mirrors the Housing Choice Voucher Program. Three-way contracts would allow the program to cut off its portion of the rent if the landlord is not taking care of the unit without jeopardizing the family's tenancy, and would provide the District with more leverage to prevent landlords from inflating rents for rapid re-housing units.

Finally, the District should consider ways of cutting off or limiting support to slumlords that take advantage of this program and DC's vulnerable families. The exact mechanics of this change could take several forms, such as a developing a list of slumlords that will not be recommended to families looking for housing, or establishing contract or statutory standards for when the District will stop paying a landlord if a unit has severe housing code violations.

Increasing Housing Stability

Families that are rent burdened are forced to choose between paying the rent and meeting other basic needs such as food, transportation, and healthcare.⁶⁵ It does not make sense to design a program that is meant to stabilize families such that they are rent burdened the entire time they are in the program. It is especially troubling when even families with a fixed income through TANF or disability assistance are expected to pay as much as 60 percent of their very limited incomes towards the rent, in addition to the utility bills.⁶⁶ Furthermore, when it takes several months to adjust a family's portion of the rent after their income decreases, the program effectively puts them on a track to eviction court.

The rapid re-housing regulations should be modified to bring the program in line with the nationally recognized measure of housing affordability, with families required to pay no more than 30 percent of their income towards rent and utilities. This change will end the unreasonable rent burden imposed by the current structure and ensure that families are actually stable in the program designed to stabilize them. In addition, the rapid re-housing regulations should be modified to make it clear that rent adjustments must be made by the first day of the month after a family's income decreases, as opposed to several months later.

Ending the Rapid Re-housing Cliff

There has recently been a great deal of work to reform the District's TANF system to ensure that it does not send families over a cliff and completely cut off their benefits based on a time limit. There is widespread support for this idea both within the administration and among local non-profits. One common refrain is that a TANF cliff could result in families losing their housing and becoming homeless. This is clearly true. What is less clear is why policymakers and rapid re-housing champions, many of whom are the strongest supporters of TANF reform, think that a TANF cliff is unacceptable, but a rapid re-housing cliff is perfectly reasonable. This incongruity is especially confusing given that, when it comes to the rapid re-housing cliff, homelessness is not a theoretical possibility, but rather the direct and logical outcome of terminating a family's housing subsidy.

That is why the most critical and urgent reform to the District's rapid re-housing program is to end the cliff that families face when their subsidies expire. The rapid re-housing regulations make it clear that the

The most critical and urgent reform to the District's rapid re-housing program is to end the cliff that most families face when their subsidies expire.

program is supposed to be based on a progressive engagement model, with the level of services increased as necessary to keep the family in stable housing, but this idea has been lost in the rush to move families off the program in order to make room for families currently in shelter.⁶⁷ A program that is 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 other long-term housing programs, 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. Given the many negative impacts that homelessness can have on children's well-being, no family should ever be deliberately sent over the cliff and back into shelter to start again from square one.⁶⁸

While the plain language of the HSRA appears to prohibit terminating a family's subsidy based on a time limit, this has not stopped hundreds of these terminations in the last year. As such, the DC Council should amend the 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. The exact outlines of this change would require additional conversations with policymakers, but a logical starting point would be to prevent terminations when it is mathematically impossible for a family to pay their rent.

Given the many negative impacts that homelessness can have on children's well-being, no family should ever be deliberately sent over the cliff and back into shelter to start again from square one.

The double standard that is applied to the potential TANF cliff versus the real-world rapid re-housing cliff must end. Indeed, it is strange that time-limited housing assistance has become normalized and even championed in a progressive jurisdiction like DC. Such a harsh and inhumane view of housing and human services would normally be reserved for conservative think tanks, but has somehow become the District's mainstream policy for addressing family homelessness. If DC is going to be a truly inclusive place to live, there needs to be a general recognition that arbitrary time limits that fail to account for individual circumstances, whether applied to TANF or housing, have no place among human services programs in the District.

Improving Transparency and Accountability

With more than 1,350 households in the program, rapid re-housing is now close to the size of the tenant-based voucher portion of the Local Rent Supplement Program (LRSP) administered by the DC Housing Authority.⁶⁹ However, rapid re-housing lacks nearly all of the administrative systems and protections that are in place for LRSP. From a legal perspective, the administration of rapid re-housing can border on anarchic. The rapid re-housing regulations have been subject to significant and frequent revision since the program's inception. As currently written, they are at times both vague and unnecessarily complicated. The ambiguity of the rules is amplified at each level of bureaucracy involved in the program. At the point

where the rules are being explained to families by their case managers, it is nearly impossible for families to discern their specific rights and responsibilities.

This confusion is magnified many times over if one seeks to understand how families are transferred from rapid re-housing to a long-term housing voucher via the Targeted Affordable Housing (TAH) program. TAH is designed to provide either a “step-up” for families in rapid re-housing that need longer-term assistance or a “step-down” for participants in programs like Permanent Supportive Housing that no longer require intensive case management. There are no published rules governing this process, which is a clear violation of the DC Administrative Procedures Act and leaves the program in a state of legal limbo. The semi-formal rules maintained by DHS are not easily accessible to the public and are subject to continual change by the agency. Under these non-public eligibility rules, rapid re-housing case managers are tasked with making referrals to TAH. However, the author has spoken with several case managers who were completely unaware that the program existed or did not have a clear understanding of the eligibility criteria.

The standards governing rapid re-housing and TAH must be clear and publicly available. This change would require modifications to the existing rapid re-housing regulations to clarify vague rules and simplify complicated bureaucratic processes. This is especially true of the provisions governing terminations from the program. In regards to TAH, DHS must issue regulations that are published in accordance with the DC Administrative Procedures Act. The need for clarity and uniformity is especially necessary in regards to eligibility for the TAH program and what happens if a family is improperly denied access to this benefit. Finally, increased government accountability should also include opportunities for families to share their thoughts on the program. DHS should solicit regular input from families that are currently participating in rapid re-housing to determine ways to further improve the program.

Refocusing on Long-term Affordable Housing

While the reforms proposed above would certainly help to improve the District’s rapid re-housing program, 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 cannot increase their income enough to become self-sufficient. One report on rapid re-housing programs commissioned by the U.S. Department of Housing and Urban Development found that “[p]ermanent or very long-term rental assistance is likely to be needed to prevent subsequent homelessness for many formerly homeless families in high-cost rental markets[.]”⁷⁰ The fact that more than one in six DC residents are living below the poverty line, when combined with the surging cost of rental housing, leaves the District ill-suited for a

Policymakers should scale back their reliance on rapid re-housing and refocus on funding long-term, deeply affordable housing.

temporary intervention like rapid re-housing.⁷¹ Given the serious limitations of the rapid re-housing model when used 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.

If 1000 families in DC shelters were all given housing vouchers, the cost over the next five years would only be 6.2 percent more expensive than the current system. That is a difference of only \$1,300 per family per year.

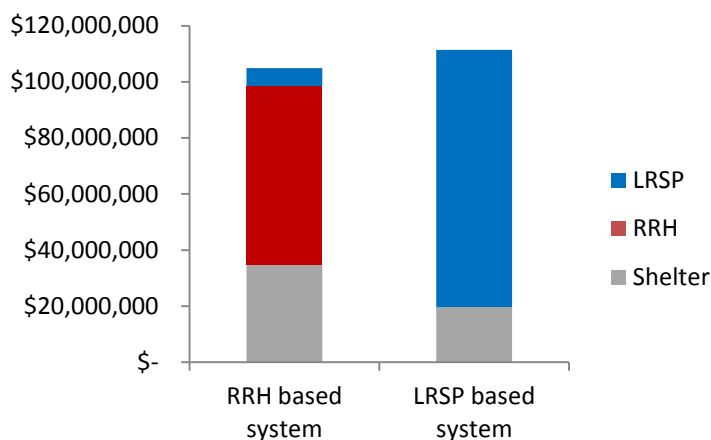
One possible way forward would be to increase funding for long-term housing vouchers. The positive outcomes associated with a housing voucher relative to rapid re-housing were made abundantly clear in the Family Options Study.⁷² Increased reliance on long-term housing vouchers would also help to resolve many of the issues faced by families in rapid re-housing.

For example, the advantages of a LRSP housing voucher over a rapid re-housing voucher include an increased number of landlords willing to rent to families, which makes finding a unit and moving out of shelter much easier; more legal protections to either pressure landlords to make repairs or help families relocate; families are never rent burdened; no case management costs; and no cliff at the end. Some may suggest that families with housing vouchers are likely to stop working or trying to improve their situations, but such myths have consistently been disproven.⁷³

While increasing the supply of locally-funded affordable housing may be dismissed as unrealistically expensive, it would actually be only marginally more expensive than the current rapid re-housing based system. DC's rapid re-housing program costs approximately 45 percent more per family on a daily basis because the District is also paying for case management services, which, as described above, appear to provide limited tangible benefits to most

families.⁷⁴ In addition, rapid re-housing families cycle back into the expensive shelter system at a higher rate than voucher holders, and stay in shelter longer while they search for a landlord that will rent to them.⁷⁵ As a result, if 1000 families in DC shelters were all given housing vouchers, the cost over the next five years would only be 6.2 percent more expensive than the current system for serving those 1000 families. See Figure 7. That is a difference of only \$1,300 per family per year. A more thorough explanation of this analysis can be found in Appendix A.

Figure 7: Cost of current rapid re-housing based system versus a hypothetical LRSP based system for 1000 families over five years.



This idea is also supported by the Family Options Study, which found that offering homeless families priority access to long-term housing vouchers was only 9 percent more expensive than offering priority access to rapid re-housing over a three-year time period, but lead to substantially better outcomes for families.⁷⁶ Further research into this question could provide additional support for shifting the system away from rapid re-housing.

Re-orienting the system towards long-term affordability does not necessarily mean scrapping rapid re-housing altogether. Rapid re-housing is a valuable resource for a subset of homeless families with the income or job skills to be able to quickly transition back to economic stability. However, it should not continue to be the District's primary tool for addressing the family homelessness crisis.

In practical terms, shifting the system away from rapid re-housing would mean substantially increasing funding for long-term housing solutions and ensuring that such funding is going to the right places. The Fair Budget Coalition platform is a good starting point in terms of the true scale of the need.⁷⁷ The DC Housing Authority housing voucher waitlist is one of the primary places in need of additional resources. The list has been closed for four years but still has about 40,000 households on it, including 41 percent of the families in rapid re-housing.⁷⁸ There is little hope of resolving the District's family homelessness crisis when it takes more than a decade for a homeless family on the list to get a voucher, as is currently the case, and other families cannot even get on the list. In terms of targeting current resources, policymakers must increase their oversight of the hundreds of millions of dollars that have been devoted to 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 end tax breaks for development projects that do little or nothing to help resolve the affordable housing crisis.

In DC, short-term programs offer only short-term solutions, and continuing to champion such half measures keeps us from getting to the real solutions.

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, and continuing to champion such half measures keeps us from getting to the real 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.

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⁷⁰ Rapid Re-Housing for Homeless Families Demonstration Programs Evaluation Report, Part II Demonstration Findings – Outcome Evaluation, U.S. Department of Housing and Urban Development, April 2016, page 76-77, available at <https://www.huduser.gov/portal/sites/default/files/pdf/RRHD-PartII-Outcomes.pdf>.

⁷¹ QuickFacts: District of Columbia, US Census Bureau, retrieved April 2016, available at <https://www.census.gov/quickfacts/table/IPE120215/11>; If you think D.C. has the most expensive rents in the nation, it's not a far stretch, Washington Post, February 2017, available at https://www.washingtonpost.com/news/where-we-live/wp/2017/02/28/if-you-think-d-c-has-the-most-expensive-rents-in-the-nation-its-not-a-far-stretch/?utm_term=.d5cb5e7435fb.

⁷² Family Options Study, 3-Year Impacts of Housing and Services Interventions for Homeless Families, U.S. Department of Housing and Urban Development, October 2016, pages 75-82, available at <https://www.huduser.gov/portal/sites/default/files/pdf/Family-Options-Study-Full-Report.pdf>.

⁷³ See e.g. Family Options Study, 3-Year Impacts of Housing and Services Interventions for Homeless Families, U.S. Department of Housing and Urban Development, October 2016, page 79, available at <https://www.huduser.gov/portal/sites/default/files/pdf/Family-Options-Study-Full-Report.pdf>.

⁷⁴ Homeward DC Strategic Plan 2015-2020, District of Columbia Interagency Council on Homelessness, 2015, pages 76 and 77, available at https://ich.dc.gov/sites/default/files/dc/sites/ich/page_content/attachments/ICH-StratPlan2.9-Web.pdf.

⁷⁵ One of the primary justifications of rapid re-housing is that it helps families move out of shelter quickly, thereby reducing the trauma associated with homelessness, especially for children. However, this worthy goal is more likely to be achieved with long-term housing vouchers such as LRSP as opposed to rapid re-housing. See Appendix A.

⁷⁶ Family Options Study, 3-Year Impacts of Housing and Services Interventions for Homeless Families, U.S. Department of Housing and Urban Development, October 2016, page 115, available at <https://www.huduser.gov/portal/sites/default/files/pdf/Family-Options-Study-Full-Report.pdf>.

⁷⁷ DC Fair Budget Coalition FY18 Budget Report, Fair Budget Coalition, March 2017, available at http://fairbudget.org/uploads/5/9/3/2/59324811/dc_fair_budget_coalition_fy18_budget_report_final.pdf.

⁷⁸ FY17 Performance Oversight Hearing Responses to Pre-Hearing Questions, DC Housing Authority, February 2017, page 23, available from the DC Council Committee on Housing and Neighborhood Revitalization; Responses to Fiscal Year 2016-2017 Performance Oversight Questions, DC Department of Human Services, March 2017, page 33, available at http://dccouncil.us/files/user_uploads/budget_responses/DHS_FY16-17_POH_Pre-Hearing_Questions_FINAL.pdf.

APPENDIX A: Cost of homeless services system based on rapid re-housing relative to a system based on long-term housing vouchers

The following analysis was conducted in order to compare the cost of a homeless services system based on rapid re-housing, as is currently operated in the District of Columbia, to a hypothetical system centered around providing homeless families with long-term housing vouchers. The author constructed models for each system based on the available aggregate data on families' usage of shelters, rapid re-housing assistance, and long-term housing vouchers, as described in detail in the tables below. The monthly cost of each intervention was calculated using the estimates from the Homeward DC strategic plan, with LRSP costs drawn from the Targeted Affordable Housing section. See endnote 74. Dividing the annual cost by 12 resulted in the following monthly cost for each intervention: \$4,466 for shelter, \$2,437 for rapid re-housing, and \$1,650 for LRSP. Each model applied these costs to 1000 families based on their projected service usage starting at the time they enter the shelter system and continuing for a period of five years.

Based on these models, it appears that over a five year period the current rapid re-housing based system will spend \$104,890,500 to serve 1000 homeless families. See Table 1. In comparison, the hypothetical LRSP based system, with 1000 homeless families receiving a long-term housing voucher, would cost \$111,391,500. See Table 2. That is a difference of \$6.5 million over five years, which works out to \$1,300 per family per year. Put differently, the LRSP based system that would provide truly stable housing for families would only cost 6.2 percent more than the current system that is centered on rapid re-housing and suffers from the many problems described in this report.

Table 1: Cost of current rapid re-housing based system.

Intervention	RRH Group 1 (n=150) ^a Families that return to shelter and receive RRH again			RRH Group 2 (n=130) ^b Families that receive LRSP when they exit RRH			RRH Group 3 (n=720) ^c Families that do not use any services after RRH			TOTAL
	Months	Cost Per Person	Cost Per Group	Months	Cost Per Person	Cost Per Group	Months	Cost Per Person	Cost Per Group	
Shelter	18	\$80,393	\$12,058,875	6	\$26,798	\$3,483,675	6	\$26,798	\$19,294,200	\$34,836,750
RRH	38	\$92,625	\$13,893,750	24	\$58,500	\$7,605,000	24	\$58,500	\$42,120,000	\$63,618,750
LRSP	0	\$0	\$0	30	\$49,500	\$6,435,000	0	\$0	\$0	\$6,435,000
No services	4	\$0	\$0	0	\$0	\$0	30	\$0	\$0	\$0
TOTAL	60	\$173,018	\$25,952,625	60	\$134,798	\$17,523,675	60	\$85,298	\$61,414,200	\$104,890,500

^a RRH Group 1 was projected to be 150 families based on DHS reports that 15 percent of families that exit rapid re-housing will return to shelter within one year. See endnote 58. As explained above, this figure is likely an underestimate. Based on the aggregate data provided by DHS in response to DC Council oversight questions, these families were projected to use the following services over the course of 60 months. See endnotes 13, 31, 58. First, they were projected to spend six months in shelter before moving out with rapid re-housing. Second, they were projected to spend 24 months receiving assistance through rapid re-housing. Third, they were projected to spend four months receiving no housing services before returning to shelter. For the purposes of this analysis, it was assumed that families that return to shelter would spend twice as long in shelter as they had previously due to facing additional barriers to obtaining housing such as an eviction record, a balance to a landlord, or damaged credit. Therefore, these families were projected to spend 12 months in shelter the second time around, which is in line with how long many families stay in DC's shelter system. See endnote 13. After exiting shelter the second time, they were projected to spend the remaining 14 months receiving rapid re-housing assistance.

^b RRH Group 2 was projected to be 130 families based on DHS reports that 13 percent of families that exit rapid re-housing received a long-term housing subsidy. See endnote 36. Based on the same data described above for RRH Group 1, these families were projected to stay in shelter for six months followed by 24 months in rapid re-housing. They were projected to spend the remaining 30 months receiving support through LRSP.

^c RRH Group 3 was projected to be every other family in rapid re-housing that was not covered in RRH Group 1 or RRH Group 2. While many of these families would likely lose their housing and become homeless after exiting rapid re-housing, they were projected to not return to the shelter system and therefore would not result in any additional cost to the homeless services system. Based on the same data described above for RRH Group 1, these families were projected to stay in shelter for six months, followed by 24 months in rapid re-housing. They were projected to spend the remaining 30 months receiving no shelter or housing services.

Table 2: Cost of hypothetical LRSP based system.

Intervention	LRSP Group 1 (n=950) ^a Families that do not return to shelter			LRSP Group 2 (n=50) ^b Families that return to shelter and receive LRSP again			TOTAL
	Months	Cost Per Person	Cost Per Group	Months	Cost Per Person	Cost Per Group	
Shelter	4	\$17,865	\$16,971,750	12	\$53,595	\$2,679,750	\$19,651,500
LRSP	56	\$92,400	\$87,780,000	48	\$79,200	\$3,960,000	\$91,740,000
TOTAL	60	\$110,265	\$104,751,750	60	\$132,795	\$6,639,750	\$111,391,500

^a LRSP Group 1 was projected to be all families that did not return to shelter. See below. Based on aggregate data provided by the DC Housing Authority in response to DC Council oversight questions, these families were projected to spend four months in shelter before exiting with a LRSP voucher. See endnote 78, page 21. They were projected to spend the remaining 56 months receiving support through LRSP.

^b LRSP Group 2 was projected to be 50 families based on findings in the Family Options Study that suggest that approximately five percent of families return to shelter after receiving a housing voucher. See endnote 54, page 36. Based on the same data described above for LRSP Group 1, these families were projected to stay in shelter for four months before exiting with a LRSP voucher. They were then projected to spend 24 months receiving LRSP assistance before returning to shelter. For the purposes of this analysis, it was assumed that families that return to shelter would spend twice as long in shelter as they had previously due to facing additional barriers to obtaining housing such as an eviction record, a balance to a landlord, or damaged credit. Therefore, these families were projected to spend eight months in shelter the second time around. After exiting shelter, they were projected to spend the remaining 24 months receiving support through LRSP.

