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Testimony before the Committee of the Whole Hearing on the Budget Support Act Presented by Amber W. Harding April 27, 2018

Good morning Chairman Mendelson and members of the Committee. My name is Amber Harding and I am an attorney at the Washington Legal Clinic for the Homeless. The Legal Clinic envisions – and since 1987 has worked towards – a just and inclusive community for all residents of the District of Columbia, where housing is a human right and where every individual and family has equal access to the resources they need to thrive.

The Fair Budget coalition and the Way Home Campaign have done excellent work in detailing specific programs and amounts our District budget must fund in order to serve our neighbors experiencing housing instability and move closer to economic and racial equity. The Legal Clinic strongly supports all of those budget asks. My written testimony outlines specific Budget Support Act recommendations and highlights the asks that are directly related to ending homelessness, and solving the affordable housing crisis.

My oldest daughter came to a Way Home advocacy day when she was five, and she could not stop talking about the man in our group whose friend had died on the street. She could not, and still cannot, comprehend why leaders would let that happen. She knows, like I do, that local government should have done better by that man's friend. We are failing to build and sustain a District of Columbia in which I would be proud to raise my children.

My daughter both wants to make sure everyone is safe and understands how unfair it is that some of us have homes and others do not. She has wondered out loud if it would be better if none of us had homes, because at least then it would be fair, and has advocated that we give up our home until everyone has one. She feels a personal responsibility to do what she can, and to sacrifice if others do not have what she has. My daughter is special



in many ways, but this actually isn't one of them. My experience is that children innately get what many adults seem to have forgotten—that it is incumbent on all of us to care for each other and to be fair.

We're also teaching our kids that you have to pay for basic needs first before you pay for other things. Every single piece of advice on creating a household budget says that you must pay for housing first. Then utilities, groceries, health care. If you have any money left, then you talk about planning a vacation, or going out to dinner, or buying a nice piece of art for your living room. Again, my kids get this, as do all children I have ever talked to about budgeting. Why should the budget for a city be any different?

By this measure, DC's budget is objectively irresponsible. In a city where one-third of children live in extreme poverty and 26,000 residents are in desperate need of housing assistance, the Council has before it a budget that does not meet the basic needs of all DC residents. Instead of starting with basic needs and adding other programs if there is extra, we start with a hodgepodge of programs, some critical and some not, and then maybe, if advocates and residents are very loud and insistent, the Council will move a few extra dollars from here to there to meet some residents' critical needs. That movement of funds is well meaning and appreciated, but not adequate and certainly not transformative. The basic inequality and suffering that many DC residents endure remains mostly unchanged from year to year.

We need to flip it. DC's budget must *first* provide for shelter, food and health care before it turns to other priorities. We need a drastic up-ending of our budgeting process if we are ever to ensure that all DC residents have a fair shot of survival, much less the middle class, much less equity, much less justice.

Perhaps a good exercise is to imagine how you're going to answer the following questions of an inquisitive child. (You can borrow mine any time you like.) The basic structure is: "why would you pay for x before you have ended homelessness?" It's not to say x is not important, but that you must weigh it against providing lifesaving benefits like housing.

This year, we ask you to flip the budget and fund the below programs *first*. If you aren't willing to do that, then we ask that you take the opportunity, with the federal tax bill going into effect, to respond locally by raising revenue in the following ways in order to fund our housing asks:

- 1. Increase taxes on high income earners and wealthy corporations set to receive a huge federal tax break
- 2. Close the carried interest loophole which will generate \$150-\$300 million for the District
- 3. Decouple the estate tax from the federal level to generate \$6.5 million. (We support the programs Councilmember Allen outlined in his April 5th memo.)

# **Specific Funding and Budget Support Act Recommendations**

## Make greater strides in ending homelessness

Increase the Mayor's budget by \$22.5 million for ending chronic homelessness, \$23.82 million for ending family homelessness, and \$26 million in tenant vouchers:

- 1. Permanent Supportive Housing (PSH): \$13.6 million for 570 individuals and \$8.1 million for 259 families
- 2. Targeted Affordable Housing (TAH): \$5.6 million for 330 individuals and \$15.72 million for 766 families
- 3. Rapid Re-Housing (RRH): \$3.3 million for 300 individuals Local Rent Supplement Program (LRSP) tenant vouchers: \$26 million for 1300 households on the DC Housing Authority waitlist

BSA: require DHS to issue regulations on rapid re-housing for individuals, require data collection on outcomes and require that success is defined by stability of the household

### **Rightsize family rapid re-housing**

- 1. Reallocate the \$6.6 million increase that the Mayor is seeking for Rapid Re-Housing in FY 2019 towards TAH and PSH for families in Rapid Re-Housing and shelter.
- 2. Reallocate an additional \$3.1 million of Rapid Re-Housing funds towards TAH and PSH for families in Rapid Re-Housing and shelter.

#### **Restore cuts to ERAP and increase funding**

The Legal Clinic has a number of concerns about proposed changes to ERAP. In particular, the Mayor's budget cuts funding to ERAP for the second year in a row while DHS has indicated that it plans to make several policy changes – "enhancements" according to the agency – that would narrow the eligibility criteria for the program starting this fall. The Mayor's proposed budget represents a cut of 24 percent from this fiscal year, and a cut of 43 percent from FY 2016. The Legal Clinic strongly believes that ERAP is a program that addresses a hugely important need in the community and is in dire need of more funding, not less. Furthermore, the Legal Clinic does not support any policy changes that would further constrict access to this critical resource. We ask that the \$1.8 million cut be restored and the funding increased substantially.

### Build and preserve affordable housing for households making 0-30% of AMI

- 1. Fund federal public housing repairs at the level needed to keep those units online and habitable
- 2. Add \$287 million to build 1300 units of 0-30% AMI housing;
- 3. Add \$26 million to operate 1300 units with project/sponsor LRSP
- 4. Add what is needed to build 0-30% AMI housing with the 40% of \$100 million in the Housing Production Trust Fund

BSA: we are open to a separate fund for production of 0-30% AMI housing in order to better monitor the spending and stop the agency from using funds outside of its statutory requirements

#### **Homeless Prevention for Individuals**

The Mayor's budget also provides funding for a new homeless prevention program for individuals. While we support additional resources for this population, we continue to have reservations about the lack of transparency associated with several such newly proliferating programs. In particular, we believe that there needs to be clear, publically available eligibility criteria for programs like TAH, HPP and rapid re-housing for individuals. Furthermore, as any prevention program for individuals is implemented, it is important to keep in mind that the success of such programs must always be measured in terms of the stability and safety of the household that is being assisted. Preventing a shelter stay is a laudable goal, but only insofar as the household instead has safe and stable alternative housing arrangements. This principle is sometimes lost, as HPP providers are graded on whether they successfully keep the family out of shelter, and as a result our office sees families that have been effectively trapped in unsafe situations, or end up putting their friends and relatives at risk of eviction for allowing unauthorized occupants. BSA: require regulations for TAH, HPP and new singles prevention program, require that stability is the measure of success

#### Singles Shelter Redevelopment

In regard to the capital dollars budgeted for the redevelopment of several shelters for individuals, there has been relatively little information shared on the plans for these projects. We will continue to seek to work with the Administration to ensure that any redevelopment at these sites carefully considers the safety and stated needs of the individuals staying at these shelters and on the street.

#### **Daytime Services**

The Legal Clinic supports the proposed funding for improved daytime services. The limited availability of such services, particularly centrally located services, has been one of the primary issues our clients have raised for many years, and we look forward to working with the Administration to ensure that this new funding meets our clients' needs. BSA: require that these funds be used in a Downtown Services Center and any remaining funds can be used in other areas

### **DC General Replacement**

It is not clear if there are funds in the Mayor's proposed budget to account for the increased cost of placing families in motels that will likely result as the DC General family shelter is closed before the replacement shelters are operational. We would also hope that other contingencies are considered in the budget, such as the increasingly likely increased costs if the replacement shelters open later than expected, to ensure that there are adequate funds to serve every family in need of shelter in FY 2019. Right now only one shelter is on track to open this fall, instead of the three that were supposed to be open.