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Testimony before the DC Council Committee on Human Services
Budget Oversight Hearing on the DC Department of Human Services (DHS)

Amber W. Harding

June 14, 2021

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. We fully support the FY22 budget asks of both the <u>Fair Budget Coalition</u> and the <u>Way Home</u> Campaign.

## Individual Emergency Shelters

It took a global pandemic and dozens of deaths amongst people who are homeless to reenvision our emergency shelter system for individuals. It took public health professionals and federal guidance telling communities across the country that the status quo of large communal shelters were literally killing people before governments took steps to create smaller shelters and non-communal options for high-risk individuals. Even then, it probably never would have happened without the substantial FEMA dollars available to communities to implement the new approach.

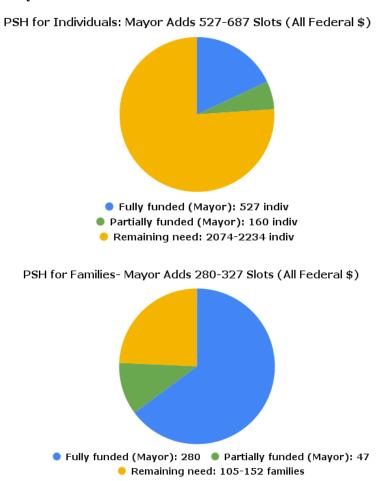
As a result, lives were saved, though slow embrace of the shift failed to save as many lives as a faster approach would have. Smaller shelters are safer and healthier. The hotel program has been individually and systemically transformative. But the question remains, what steps will DC government take to make this transformation permanent? Will DC create a new improved system, or slip back into old habits of inhumane, unsafe emergency spaces?

The \$50 million in the budget for acquisition and renovation of hotels for shelter and affordable housing is an excellent step forward. The Council and the Mayor should also revisit shelter redevelopment plans with an aim to increase privacy and dignity in emergency shelters. We also ask the Council to ensure there are local or federal funds to

extend the hotel program throughout FY22, until newer more humane options are up and running.

## **Ending Chronic Homelessness**

We asked Mayor Bowser to make strong strides in ending chronic homelessness by investing in Permanent Supportive Housing (PSH) for 2761 individuals (\$79.82 million) and 432 families (\$16.31 million). Mayor Bowser did not invest any local dollars in PSH, but did direct federal emergency housing vouchers and federal unrestricted funds to provide Permanent Supportive Housing vouchers to 527-687 individuals (19-25% of our ask) and 280-327 families (65-76% of our ask). (The Mayor included some site-based PSH and some partially funded PSH slots in her total. We have excluded the site-based PSH and included the partially funded slots in our total, as the top end of the range.) While this investment is welcome, you can see that the unmet need is daunting. We ask the Council to fully fund these asks.



## **Ending family homelessness**

How DC ends family homelessness matters as much as the goal itself. To truly end family homelessness, DC must dramatically increase its permanent affordable housing investments. Right now, the number of families in emergency shelters has inarguably gone down. According to the Administration, the decrease is a direct result of efforts to transform the family shelter system. They may be right, in part, but one cannot deny the impact of unlawful denials of emergency shelter, the

extension of families in rapid re-housing, and the existence of the eviction moratorium as significant, perhaps even primary, drivers of this reduction in shelter usage. We posit that permanent affordable housing is the only thing that ends family homelessness, and that the Mayor's budget proposal has nowhere near enough vouchers to prevent a major explosion in family homelessness post-public health emergency.

Denying families shelter as a method, intentional or not, to "reduce family homelessness" is the wrong approach. In its performance oversight responses, DHS states that, in FY20, 7463 families applied for shelter through Virginia Williams and 1180 families applied through the hotline, for a total of 8643 applications. Out of those applications, only 807 were deemed eligible and placed in shelter--9.3% of applications. That's a 90.7% denial rate for an emergency service. (For perspective, that denial rate far outstrips the denial rate for Social Security Disability, the most notoriously difficult public benefit to obtain.<sup>1</sup>)

Families do not stop being homeless when they are denied shelter. They just suffer more without the protection of a safe place to stay. They have a harder time finding or keeping a job. Their kids suffer emotionally, physically, and educationally. They lose their faith that the government is there to help them. They burn through every part of their social safety net, if they have one. They return to abusers. They separate from their kids to sleep in a car or with a stranger. They relinquish custody of their kids to family or friends. They try to make the best of only terrible choices.

Allowing mass shelter denials to be a major tenet of the family shelter system transformation is unconscionable. We ask the Council to reform family shelter eligibility to create a low barrier system that prioritizes the safety of families and honors family judgment in deciding when shelter is a necessary intervention.

Another driver of the reduction in family homelessness this past year was the major, albeit temporary, shift in rapid re-housing policy--DHS put a stop to its arbitrary time limit policy that cut family benefits off regardless of the family's ability to pay rent. That decision undoubtedly saved hundreds if not thousands of families from housing instability during the pandemic. But now, DHS has ended the reprieve. Starting August 1, DHS plans to provide 30-day notices to terminate case management services and 6-month notices to terminate housing assistance. There are over 3000 families in rapid re-housing right now. DHS has not said how many will be terminated from housing, or what standard they will use to decide who to terminate first.

The stated objective of rapid re-housing is "to help a homeless individual or family move as quickly as possible into permanent housing and achieve stability in permanent housing such that recipients may remain in the housing when assistance ends." D.C. Code 4-751.01(31A). The program is failing at meeting this objective. According to DHS, only 17% of families were exited from rapid rehousing because they could afford housing without assistance. That's an 83% failure rate. The families, though, are the only ones bearing the consequences.

Pre-pandemic, our position was that it was unjust to terminate families from housing assistance when they could not afford to stay housed, sentencing them to instability at best, eviction and another round of homelessness at worst. That position is unchanged, yet the pandemic has

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<sup>&</sup>lt;sup>1</sup> https://www.ssa.gov/policy/docs/statcomps/di asr/2018/sect04.html

underscored the importance of housing for survival, and the inability of individual action to overcome broader economic forces. It is long past time to reform rapid re-housing and reject the racist and classist myths that are its building blocks.

If you believe that families, almost exclusively Black families, are lazy, just not motivated enough to increase their income to meet their household's basic needs... if you believe the only way to motivate Black families to earn more money is to threaten to cut off their housing support... if you are on board with a program that disproportionately harms Black families... then you should support the rapid re-housing program, without reform. Otherwise, we ask you to either reform the program to prohibit arbitrary time limit terminations or convert the funding into permanent housing subsidies and stop investing in a deeply flawed and harmful program.

As the authors of the recent Georgetown eviction study recently concluded: "While the Rapid Rehousing Program aids households to exit shelters more quickly, it may be contributing to eviction rates in the District. More long-term solutions like permanently affordable housing can be more effective at achieving housing stability." We agree, and that is why we asked for \$23.34 million for Targeted Affordable Housing (TAH) for 928 homeless families, along with the ask for PSH laid out above. Most homeless families do not need intensive services, or any services, with their housing. They just need affordable housing. We arrived at the number of families that needed TAH by reviewing the Department of Human Services (DHS) data on families in rapid re-housing, the vast majority of whom do not qualify for permanent supportive housing but desperately need long-term housing assistance.

But Mayor Bowser did not fund a single new Targeted Affordable Housing voucher. DHS has stated that they are not getting rid of the TAH program, that people who do not need a lot of services can be served by what they are calling "PSH-lite." As much as we support PSH for both families and individuals, we do not support this shift for the following reasons:

- 1. The vast majority of families do not, by law, qualify for PSH, according to the statutory eligibility standard that the Bowser Administration fought for in 2017. PSH is limited to those who are "chronically homeless," which means that the head of household has a qualifying disability. The ICH has estimated that only about 10-15% of homeless families qualify for PSH.
- 2. Even if the Council broadened the eligibility standard for PSH, there is not enough PSH to serve all the families who qualify, much less all the families who qualify for PSH *and* TAH. (Roughly 83% of rapid re-housing families need permanent housing assistance, meaning about 2490 of current participants will need a long-term subsidy to maintain housing stability.)
- 3. It is inefficient to fund services for people who do not need or want services, not to mention that being unable to afford housing in DC does not mean that a person requires social or supportive services.

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<sup>&</sup>lt;sup>2</sup> https://georgetown.app.box.com/s/df0d4mruf59wcvqm6cqo9a8pyu8ukeuk

<sup>&</sup>lt;sup>3</sup> Related, we advocated for \$17.33 million for 800 Local Rent Supplement Tenant Vouchers (LRSP) Tenant Vouchers. This program provides vouchers to people who are homeless and on the 41,000-household DC Housing Authority waitlist. The Mayor did not add one cent to this invaluable program.

- 4. DHS has presented no data to support its claim that families in TAH need or want supportive services.
- 5. PSH is a program that has national best practices standards and is meant for a specific population. Cramming all housing subsidies into the PSH program will dilute the intent and design of PSH.

Four years ago, the Bowser Administration agreed with our above points, at least when it was trying to support a narrowing of eligibility in the law for PSH, in a statement to Council addressing its concerns about the narrow eligibility for PSH:

"To meet the definition of chronic homelessness, the head of household must have a disabling condition. A family with a child that has a disability would not meet the definition of chronic homelessness based on the child's status alone. If the child's healthcare needs prevent the parent from working, the more appropriate intervention for this household would be Targeted Affordable Housing (TAH), which includes the permanent subsidy but only light touch services (i.e., a quarterly check-in) to ensure the household is stable and connected to other resources more generally available in the community. If the parent also has a disabling condition such that they will need intensive services to maintain their housing, then the household would qualify for PSH based on the parent's condition.

It is important to note that PSH is the most expensive housing program within the Continuum of Care, and accordingly, it must be targeted appropriately. At the time the Homeward DC plan was developed, the annual cost of supportive services associated with each PSH unit/subsidy was nearly \$12,000. (Costs are higher today since that estimate was developed a few years ago.) Therefore, it's important not to use PSH for households that do not need or want services. This is the reason we developed the TAH program -- to be judicious in how we use resources and to ensure we have interventions that appropriately meet different households' needs."

DHS has demonstrated its waning commitment to placing families in TAH—it only utilized 27% of FY20 placements and 0% of FY21 placements by the March 1 oversight hearing. At its core, TAH is just a tenant voucher for DHS controls referrals and placements, meaning it can go to families in homeless services programs rather than to those families on the DC Housing Authority waitlist. (Because the waitlist has been closed for eight years, many families in shelters and rapid re-housing are not on the waitlist.) A simple approach exists to cut down on bureaucracy and expedite housing placements for homeless families—fund an increase in tenant vouchers and develop eligibility criteria that serves both homeless families in homeless services programs and homeless families on the waiting list. Families do not need to go through DHS to get a tenant voucher and DC Housing Authority is perfectly capable of administering such a preference, or reopening its waitlist for such a limited purpose. We will follow up with suggested Budget Support Act language. (Note, relatedly, that we do not support moving tenant vouchers to DHS for PSH or any other purpose. Because that subtitle is not currently in front of this committee, we will follow up separately with our concerns.)

Progress towards ending family homelessness will remain a mirage without an ideological and fiscal commitment to meet the stated, pressing needs of families for stable permanent housing. Without substantial new vouchers directed to homeless families or complete reform of rapid re-housing, DC

is headed towards an explosion in family homelessness much like the one that occurred after the 2008 economic recession, but worse. Our shelter system cannot support this explosion, and neither should elected leaders.

## **Preventing Evictions**

We are disappointed to see that, once again, Mayor Bowser has cut the Emergency Rental Assistance Program (ERAP), this time by \$5.5 million. (DHS will claim they only removed one-time funds, but reduced funding in the program from FY21 to FY22 is a cut.) While we understand that there is significant federal money devoted to eviction prevention and utilities, we do not believe that the federal money will meet the full scope or range of needs, hence our ask for \$100 million in local money. Even the Mayor's own Rental Housing Strike Force recommended an increase in local eviction prevention funds, stating that: "Federal emergency rental assistance should be supplemented with local resources, if needed, to serve non-traditional workers, other populations who may not be eligible for federal emergency rental assistance, and tenants who require additional rent relief to sufficiently address rent arrears." We ask you to restore the cut to ERAP and increase funding to meet any need for eviction prevention or security deposits that will not be met by STAY DC.

 $<sup>^4\</sup>underline{\text{https://dhcd.dc.gov/sites/default/files/dc/sites/dhcd/publication/attachments/SRH\%20Strike\%20Force\%20Report\%205-21-2021\%20Final 0.pdf}$