

The Legal Clinic's 2024 Funding and Reform Priorities

Address Homelessness; Expand and Improve Shelter

➤ **Housing Vouchers**

Recent data indicates that homelessness in D.C. increased nearly twelve (12%) in 2023. Unfortunately, the vast majority of people experiencing homelessness in D.C. need permanent housing subsidies to maintain housing stability. Additionally, due to laws providing for more opportunities for release from incarceration, there is an urgent need to fund housing for D.C. residents returning home and rebuilding lives post-incarceration. In recent years, poor agency coordination and administration have caused unnecessary delays in housing D.C. residents. However, even when those voucher resources are effectively distributed, the need for housing exceeds the resources provided. Last year's minimal investment in housing vouchers will be exhausted by March 2024, leaving no additional housing resources for the remainder of the fiscal year. D.C. must allocate funding more substantially in FY25. Also, one type of voucher is not sufficient to serve all D.C. residents in desperate need of housing. D.C. must fund all types of permanent vouchers to serve the varying needs of those experiencing homelessness, invest in outreach, and increase oversight of DHS and DCHA to reduce delays in voucher processing.

Our Recommendation:

- Increase oversight of Department of Human Services (DHS) and D.C. Housing Authority (DCHA) to reduce bureaucracy that prolongs homelessness due to delays in distributing and utilizing vouchers.
- Increase funding for all permanent voucher programs.

- Increase investment in homelessness outreach services.

Budget Impact:

Program	Households	Cost
Permanent Supportive Housing (PSH)-families	580	Estimated \$22.8M
Targeted Affordable Housing	2326	Estimated \$70.75M
LRSP Tenant Vouchers	800	Estimated \$17.33M
Permanent Supportive Housing (PSH)-individuals	1260	Estimated \$36.6M
LRSP vouchers for returning citizens	60	Estimated \$1.3M
Outreach	---	Estimated \$6.4M
Total	5026	\$155.18M

➤ ***Non-Congregate Shelter Improvement/Expansion and Storage for Unhoused Individuals***

Most shelters for single adults are large, congregate spaces with a variety of poor conditions. Residents experiencing street homelessness often cite these conditions, safety concerns, and/or restrictive shelter rules as reasons to avoid staying in D.C.’s shelters. Additionally, many shelters do not permit people to enter with more than two bags of personal belongings. When faced with the choice of keeping belongings or entering shelter, a lack of storage is a clear barrier to shelter access. Developing shelters and protocols that meet people’s expressed needs will reduce street homelessness and improve outcomes for shelter residents.

A few years ago, the Bowser administration dedicated \$50 million in federal funds to the future purchasing and converting of a hotel to bridge or permanent housing. D.C. should ensure that all of those funds have been used and expand that plan and funding to convert more of its shelters into humane and private spaces. The Pandemic Emergency Program for Medically Vulnerable Individuals (PEP-V), which provided safe, non-congregate shelter, saved the lives of many people experiencing homelessness that were medically determined to be at increased risk of serious illness or death due to COVID-19. DHS recently terminated that program in December 2023, displacing many of those medically vulnerable residents despite the delay in opening the Aston, the non-congregate shelter that

DHS originally contemplated as an appropriate transition site for many of the PEP-V residents. It is of paramount importance to create more non-congregate shelter spaces across all wards of the District of Columbia. D.C. currently has two non-congregate shelter sites in progress; however, funding will determine whether those sites actually operate as planned.

Our Recommendation:

- Utilize all existing funds that were intended to redevelop hotels and other spaces into decent, safe, and private shelter for individuals.
- Ensure current plans for non-congregate shelter sites are funded, completed, and operated as intended, including with legal protections of the Homeless Services Reform Act (HSRA).
- Invest additional funds for future non-congregate shelter sites.
- Fund secure storage options to safeguard the belongings of those experiencing homelessness.

Budget Impact: \$13.275M for the operation of the two current non-congregate shelter projects, additional (TBD) funding for future non-congregate sites, and \$1.5M for storage options

➤ ***Encampments***

During the COVID-19 public health emergency, the Bowser Administration escalated its efforts to clear and remove encampments despite U.S. Interagency Council on Homelessness and CDC guidance to suspend all encampment clearings (evictions). Unfortunately, the clearing of encampment sites continues, causing displacement, trauma, and a disconnection with service providers. The clearings are inhumane, dangerous, and prompted (at least, in part) by complaints from housed residents about the presence of those who are experiencing homelessness in their neighborhoods. Additionally, immediate clearings (“immediate dispositions”) are determined and executed unilaterally by the Bowser Administration after broadly citing a “public health and safety risk” without adequate notice, clear metrics, or transparent policies defining what prompts that determination. Eliminating the visibility of homelessness does not eliminate homelessness. The solution to street homelessness is housing, not further displacement.

Our Recommendation:

- Suspend all full encampment clearings. Instead, conduct trash-only cleanings, provide additional trash cans at encampments, and maintain portable bathrooms and hand washing stations.

- Create legislative policies that standardize requirements/criteria and definitions related to encampment evictions, establishing due process for encampment residents and minimizing opportunity for random and/or politicized encampment evictions.

Budget Impact: TBD. However, D.C. could save money in the budget by ending encampment-site evictions.

➤ ***Office of Migrant Services (OMS) Reform***

The Legal Clinic remains adamantly opposed to the segregated homeless services system that has been implemented by DHS pursuant to the *Migrant Services and Supports Temporary Amendment Act of 2022*. While D.C. Council’s unanimously passed *Migrant Services Eligibility Clarification Emergency Amendment Act of 2023* added important amendments to expand access to services within OMS and create a framework for establishing program requirements, additional amendments are still necessary to create a legal right to access OMS services/shelter and establish due process rights and procedures, particularly a right to appeal. Additionally, despite the April 2023 emergency legislation directing DHS to issue program requirements through regulations within thirty days, DHS has yet to produce regulations. D.C. Council must take further legislative action and enforce compliance under the current legislation (*Migrant Services and Supports Extension Temporary Amendment Act of 2023*) to ensure that the rights of migrants are recognized, expanded, and protected.

Our Recommendation:

- We join the Migrant Solidarity Mutual Aid Network and the D.C. Immigrant Justice Platform in supporting further legislation and/or amendments to the *Migrant Services and Supports Temporary Amendment Act* which create a legal right to OMS services/shelter, establish reasonable due process rights and procedures, and produce fundamental program regulations.

Budget Impact: TBD

➤ ***Family Shelter System Eligibility Reform***

DHS is operating a family shelter intake system that is high barrier and burdensome, leaving many unhoused families with no option other than to remain in unsafe environments. Intake workers

regularly deny eligibility to families, require arbitrary and extensive documentation of homelessness in consideration of placement, and refuse to provide lawful notices of ineligibility when families are denied services—all in violation of the Homeless Services Reform Act (HSRA). The Legal Clinic frequently assists family shelter applicants in enforcing their existing legal rights after denial to gain shelter placement. Unfortunately, every family denied emergency shelter does not contact our office, but families seeking low-barrier emergency shelter should not have to seek legal assistance to access the emergency shelter that D.C. and the HSRA intends. The current family shelter system eligibility process must be reformed to truly serve the needs of families seeking accessible and low-barrier emergency shelter.

Our Recommendation:

- Amend the Homeless Services Reform Act (HSRA) to require a low barrier and humane family shelter.
- Implement consistent and standardized staff training so that families are not routinely, arbitrarily, and unlawfully denied shelter placements.

Budget Impact: N/A

➤ ***All-Day Shelter Access***

During the course of the COVID-19 pandemic, low-barrier shelter access was expanded so that individuals could remain inside of the shelters during the day, ending the practice of requiring shelter residents to exit in the early morning and find somewhere else to go until they were allowed to return in the evening. All-day shelter access should be a permanent D.C. policy change, and funding should continue to be allocated to maintain that access in FY25 and future years. Additionally, funding should be expanded to include all D.C. shelters, including those operating under DHS' Office of Migrant Services.

Our Recommendation:

- Invest and expand funding to permanently allow all-day shelter access in all D.C. shelters.

Budget Impact: TBD. The current estimate to continue all-day shelter access, including additional staff, is \$8.4 million. However, that estimate does not contemplate or include associated costs of expanding all-day shelter access to all D.C. shelters, including OMS shelters.

Preventing and Reducing Housing Instability

➤ **Rapid Re-Housing Reform**

In 2022, in the midst of hundreds of families facing terminations for hitting an arbitrary time limit in D.C.'s rapid re-housing program, a coalition of sixty-six (66) organizations and experts and hundreds of individuals demanded that the D.C. Council reform the Rapid Re-Housing (RRH) program. That campaign culminated in the Rapid Re-housing Reform Amendment Act of 2022, legislation that was overwhelmingly supported by D.C. Councilmembers through co-sponsorship. The bill reforms the program in a number of ways. Most importantly, it prohibits terminations based on reaching an arbitrary time limit if the family cannot afford market rent on their own and ensures that participants only pay thirty percent (30%) of their income in rent (as opposed to varying and arbitrarily assigned percentages). The legislation would fix the core problem with D.C.'s Rapid Re-Housing Program, currently an ineffective "one-size-fits all" housing resource for homeless families. It would also make case management (an undefined and largely unhelpful requirement) voluntary and make it more likely that program participants can transition to permanent housing programs. DHS' own data indicated that 97% of families in the program could not afford to maintain their housing upon program exit or termination. Legislative reform is long overdue to prevent DHS from knowingly displacing participant families without regard to their ability to pay expensive D.C. rents.

Our Recommendation:

- Pass and fund the Rapid Re-Housing Reform Amendment Act.

Budget Impact: TBD (DHS has resisted providing transparency in RRH program data and costs). However, this recommendation is closely tied to the funding request for family housing vouchers. Every family housing subsidy funded within that voucher request will decrease the fiscal impact of this recommendation.

➤ **Rental Assistance**

A recent Urban Institute study indicated that twelve (12%) percent of D.C. residents are currently experiencing housing insecurity. The impact of the pandemic and rising unaffordability has only exacerbated the economic crisis for thousands of D.C. residents unable to pay critical utilities or rent. D.C. must ensure that there is adequate relief funding to prevent continued harm and keep

residents housed. The Emergency Rental Assistance Program (ERAP) plays a critical role in preventing evictions by providing rental assistance to tenants that need help paying rental arrears. D.C. Council made significant investments in FY24 to fund more ERAP assistance, but the need remains.

DHS recently decided to open and close the application portal for ERAP assistance on a quarterly basis in an attempt to have some funds available throughout the year. The portal last opened on January 2nd and closed within a few hours once DHS' 3,500 application limit was met. Unfortunately, the high demand for ERAP funds and the confusing implementation of the portal and process has led to program inaccessibility for many residents. DHS plans to open the portal again in April 2024. In the meantime, thousands of households are struggling to maintain their housing without other assistance. ERAP must be substantially funded to meet the current and future need.

Our Recommendation:

- Ensure residents can access sufficient funds to pay rental arrears to prevent massive displacement/eviction, trauma, and homelessness.
- Improve the ERAP application process to ensure it is fully accessible, low barrier, and legally compliant.
- Increase Council oversight and legislative efforts to require consistency in ERAP administration and distribution and regular agency reporting, including timelines, staffing, and delays of administering organizations.

Budget Impact: A minimum of \$100 million

Protecting and Expanding Deeply Affordable Housing

➤ **Public Housing Preservation, Maintenance, & Oversight**

For decades, D.C. public housing residents have complained about the deplorable conditions and dilapidated buildings in which they have been forced to reside. Due to years of disinvestment and neglect, these properties are in extreme disrepair. DCHA is the largest landowner in the city and the source of the largest stock of large family units. Currently, ninety-five (95%) percent of the residents in DCHA properties are within the 0-30 percent Area Median Income (AMI) range, or extremely low income. Ninety-one (91%) percent of D.C.'s public housing residents are also Black. Public housing is the

only true deeply affordable housing in D.C. A lack of investment in public housing will lead to further displacement of D.C.'s lowest-income and Black residents. D.C. Council has prioritized public housing funding for the last few years and, in FY24, the mayoral administration made a significant investment before D.C. Council had to do so. Funding for public housing repairs and maintenance must continue in order to improve the living conditions and health outcomes of public housing residents.

For several years now, the D.C. Housing Authority has been in the process of contemplating and executing a large-scale public housing transformation process that will demolish and/or renovate several public housing properties. While any redevelopment plan is certainly about building restoration, it must fundamentally center the residents whose homes are within those buildings, now and in the future. D.C. Council must utilize its oversight abilities to do everything within its power to protect D.C.'s lowest-income residents and their access to housing in D.C.

Our Recommendation:

- Commit to a recurring \$60 million that will address the substantial preservation, rehabilitation, and redevelopment needs of D.C.'s public housing properties.
- Require quarterly reporting on how funds are utilized and whether funds are actually providing relief and improvements for DC's public housing residents.
- Reintroduce the *Public Housing Preservation and Tenant Protection Amendment Act of 2020* and include its language in the Budget Support Act (BSA) to memorialize DCHA's stated commitment to its residents, ensuring that public housing residents can rightfully access the housing that is intended for them upon any property redevelopment or transformation.
- Support thoughtful legislation that creates a framework for an effective and more independent Board of Commissioners once the current Stabilization and Reform Board expires—one that is committed to DCHA's mission of creating and providing low and extremely low-income housing.

Budget Impact: \$60 million, recurring

➤ ***Deeply Affordable Housing Creation (HPTF)***

D.C.'s stock of affordable housing for people with extremely low incomes (0-30% of Area Median Income (AMI)) continues to be the most neglected in affordable housing creation, despite the

law requiring that half of the money in the Housing Production Trust Fund (HPTF) is to be used for 0-30% AMI housing. Consistently, 0-30% AMI housing is under-funded and existing funds are not used as intended. The most recent Inspector General report on the HPTF cited that \$82M of funding meant for 0-30% AMI housing in 2020 was not used for 0-30% AMI as intended. According to the Department of Housing and Community Development (DHCD) reporting, only 19% of the HPTF was used for 0-30% AMI housing in 2022. Additional HPTF reporting requirements were passed through the inclusion of the *Housing Production Trust Fund Accountability and Transparency Amendment Act* in FY23's Budget Support Act, but compliance must be enforced and reporting requirements should go further. The HPTF needs better oversight and legislative protections/enforcement to ensure that money intended for 0-30% AMI housing is used for 0-30%AMI housing.

The Local Rent Supplement Program (LRSP) is paired with HPTF money to operate and maintain affordable housing units. LRSP funds must appropriately match the substantial investments in the HPTF so that new units can actually be operated.

Our Recommendation:

- Maintain sufficient LRSP matching operating funds so that the full amount of 0-30% AMI deeply affordable housing can be created.
- Increase and improve Council oversight: ensure that DHCD is compliant with all existing reporting requirements and expand requirements by incorporating additional provisions of the *Housing Production Trust Fund Transparency Amendment Act of 2021* that would further increase transparency and reporting requirements.
- Create additional legislative protections and enforcement to ensure that money meant for 0-30% AMI affordable housing creation (50% of HPTF) is used as intended, including consideration of separating out the half of the fund that is required for 0-30% AMI housing to achieve better transparency of fund distributions.

Budget Impact: Maintain sufficient LRSP operating/matching funding.

➤ **Minimizing Tenant Barriers**

Too often, applicants searching for housing face unfair and unlawful barriers to housing. In 2022, Council passed the *Eviction Record Sealing and Fairness in Renting Amendment Act*, significant legislation that creates a process for eviction record sealing, strengthens eviction provisions, and defines greater accountability, expectations, and rights within the tenant screening process. Unfortunately, some housing providers attempted to find loopholes to continue violating tenant and applicant rights. In summer of 2023, the *Fairness in Renting Clarification Amendment Act* was passed in an effort to further define and clarify the 2022 legislation. While, together, the existing pieces of legislation are a monumental step towards greater housing access, there are still several barriers that must be further explored and addressed to increase access to housing, including use of credit scores, criminal records, lack of screening report accuracy standards and tenant screening company regulations, and other existing factors that contribute to a burdensome and discriminatory process for D.C.'s predominantly Black and marginalized communities.

Our Recommendation:

- Prioritize expanding access to housing by minimizing and/or eliminating existing tenant barriers.

Budget Impact: N/A