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WORKING TOWARDS ENDING HOMELESSNESS: REAUTHORIZATION OF THE McKINNEY-VENTO HOMELESS ASSISTANCE ACT

HEARING

BEFORE THE

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS UNITED STATES SENATE

ONE HUNDRED TENTH CONGRESS

FIRST SESSION

ON

CONSOLIDATING HUD'S HOMELESSNESS PROGRAMS, INCREASE FUNDING FOR PREVENTION PROGRAMS, AND INCORPORATE LESSONS LEARNED ABOUT HOMELESSNESS SINCE THE PASSAGE OF THE MCKINNEY-VENTO ACT

THURSDAY, JUNE 21, 2007

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WORKING TOWARDS ENDING HOMELESSNESS: REAUTHORIZATION OF THE McKINNEY-VENTO HOMELESS ASSISTANCE ACT

THURSDAY, JUNE 21, 2007

U.S. SENATE,
COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS,
Washington, DC.

The Committee met at 10:04 a.m., in room SD–538, Dirksen Senate Office Building, Senator Jack Reed, presiding.

STATEMENT OF SENATOR JACK REED

Senator REED. Let me call the Committee hearing to order. Today we are beginning a hearing entitled "Working Toward Ending Homelessness: Reauthorization of the McKinney-Vento Homeless Assistance Act." The purpose of this hearing is to determine how we can best reauthorize the housing assistance titles of this groundbreaking legislation.

While Congress has continued to appropriate funding for housing assistance for those who are homeless, the McKinney-Vento Act has not been comprehensively reauthorized since 1994. We want the hearing this morning to focus on lessons learned during the past decade regarding how to best prevent and end homelessness, as well as our witnesses' perspectives on S. 1518, the Community Partnership to End Homelessness Act, a reauthorization bill that Senator Allard and I recently introduced.

S. 1518 would reauthorize and amend the housing titles of the McKinney-Vento Homelessness Assistance Act of 1987. Specifically, our bill would realign the incentives behind the Department of Housing and Urban Development's Homeless Assistance Programs to better accomplish the goals of preventing and ending homelessness.

We are particularly proud of the new prevention program and rural homelessness program in the bill. According to the Homelessness Research Institute at the National Alliance to End Homelessness, as many as 3.5 million Americans experience homelessness each year. On any one night, approximately 744,000 men, women, and children are without homes. Another study by the National Coalition for Homeless Veterans estimated that nearly 200,000 veterans of the United States Armed Forces are homeless on any given night and about one-third of homeless men are veterans.

The statistics regarding the number of children who experience homelessness are especially troubling. Each year it is estimated that at least 1.35 million children experience homelessness at some

time. Over 40 percent of homeless children are under the age of 5. Whatever their age, we know that children who are homeless are in poorer health, have developmental delays, and suffer academically.

In addition, we know that many of those who are homeless have a disability. According to the Homelessness Research Institute, about 23 percent of homeless people were found to be chronically homelessness, which under the current HUD definition means that they are homeless for long periods of time or homeless repeatedly and they have a disability. For many of these individuals and families, housing alone, without some attached services, may not be enough.

Finally, as rents have soared and affordable housing units have disappeared from the market during the past several years, even more working Americans have been left unable to afford housing. According to the National Low Income Housing Coalition's most recent "Out of Reach" report, nowhere in the country can a minimum wage earner afford a one-bedroom home; 88 percent of renters in cities live in areas where they cannot afford the fair market rent for a two-bedroom rental, even with two minimum wage jobs. Low-income renters who live paycheck to paycheck are in precarious circumstances and sometimes must make tough choices between paying rent and buying food, prescription drugs, or other necessities. If one unforeseen event occurs in their lives, they could end up homeless.

So why should the Federal Government work to help prevent and end homelessness? Simply put, we cannot afford not to address this problem. Homelessness leads to untold costs, including expenses for emergency rooms, jails, shelters, foster care, detoxification, and emergency mental health treatment. It has been 20 years since the enactment of the Stewart B. McKinney Homeless Assistance Act, and we have learned a lot about the problem of homelessness since then. It is now time to take what we have learned during the past 20 years and put those best practices and proposals into action.

There is a growing consensus on ways to help communities break the cycle of repeated and prolonged homelessness. Clearly, Senator Allard and I have been thinking about this a fair amount, and we look forward to hearing from our witnesses today about how we can best work together—work together—on reauthorizing the housing titles of the McKinney-Vento Homeless Assistance Act to focus on preventing and ending long-term homelessness.

And before I introduce our witnesses, I would like to recognize the Ranking Member, Senator Shelby, for his comments. Senator.

STATEMENT OF SENATOR RICHARD C. SHELBY

Senator SHELBY. Thank you, Senator Reed.

Homelessness is an issue facing not only larger cities, but also small towns and rural communities across our country. The causes of homelessness are as diverse as the communities that it affects.

The programs which reside in many of our Federal agencies have attempted to address the full spectrum of the problem. Some have succeeded, some have not. While this Committee's primary responsibility includes HUD's homeless assistance programs, we should keep in mind the interrelation between HUD's programs and those

found at other agencies. Differing rules and program definitions often decrease the effectiveness of how Federal programs operate at the local level. This is an area on which I hope we will focus some today.

I also want to thank all of today's witnesses for their willingness to appear before the Committee. In particular, I would like to thank someone from my State, Ms. Carol Gundlach, for her participation. Ms. Gundlach is the Executive Director of the Alabama Coalition Against Domestic Violence, a position in which she has served since 1990. She has also served as the State coordinator of the Alabama Coalition Against Hunger and as a member of the board of directors of the National Network to End Domestic Violence. She was instrumental in helping to bring many of Alabama's rural communities into HUD's continuum of care process.

Ms. Gundlach, I am looking forward to you on the second panel testifying here today, and I welcome all the witnesses today, including the Deputy Secretary of HUD. But, Senator Reed, I think we are served well by the former Secretary of HUD, Senator Martinez, who knows a lot about this program, knows a lot about housing, having served as Secretary of HUD before he became a United States Senator.

Senator REED. Thank you, Senator Shelby. I concur. And I also want to particularly thank again Senator Allard and his staff who have worked so diligently on this issue. We have over the last several years shared responsibilities as Chairmen of the Subcommittee on Housing, and we have done it I think in a very cooperative way.

Senator SHELBY. Well, you and Senator Allard worked together when the Democrats were in power and when we were in power, vice versa, because you have a common goal.

Senator REED. Thank you, Mr. Chairman and now Ranking Member.

Senator Akaka, if you have comments.

STATEMENT OF SENATOR DANIEL K. AKAKA

Senator AKAKA. Yes, thank you. Thank you very much, Mr. Chairman and Ranking Member Shelby. I want to add my welcome to our witnesses today, and thank you, Mr. Chairman, for conducting this hearing on such an important issue.

My home State of Hawaii is struggling to meet the housing needs of our residents. In the National Low Income Housing Coalition's "Out of Reach 2006" report, Hawaii ranked 51st in terms of housing affordability, and, Mayor Fenty, Hawaii was only above the District of Columbia in that report.

Hawaii has the highest median monthly rental cost in the country. Having a job is not enough to ensure access to adequate housing. We have a tremendous shortage of affordable housing. It will take long-term, coordinated Federal, State, and county efforts to help increase access to affordable housing.

In addition to limited access to affordable housing, there are numerous other causes of homelessness which can include suffering from a debilitating illness, substance abuse, or domestic violence.

Mr. Chairman, any hearing on homelessness must include attention to the fact that there are far too many homeless veterans. Veterans comprise approximately one-third of all the homeless popu-

lation. As Chairman of the Committee on Veterans' Affairs, I have introduced legislation, S. 1384, which would enhance and improve VA services for homeless veterans. This bill would modify the funding mechanisms for community-based services to homeless veterans, expand capacity of services for women veterans, and improve outreach to servicemembers and incarcerated veterans who are at risk of becoming homeless.

I recognize that permanent supportive housing is one of the most effective ways to end homelessness, and I am working with my colleagues on both this Committee and on the Veterans' Affairs Committee to provide such housing.

Today we will focus on what must be done to meet the immediate housing and social service needs of the homeless and preserve existing affordable housing units as we work toward reauthorizing the McKinney-Vento Homeless Assistance Act. This legislation will help provide much needed Federal resources and flexibility to local communities to create adequate housing for their residents.

Mr. Chairman, I appreciate all of the work that you and your staff, and particularly Kara Stein, did in putting together this reauthorization legislation, and I want you to know that I am proud to cosponsor the legislation. I look forward to helping bring about enactment of this and other legislation needed to improve the lives of people without adequate housing.

I want to again thank our witnesses for appearing today, and I look forward to their testimony. Thank you very much, Mr. Chairman.

Senator REED. Thank you, Senator Akaka, and I will recognize my colleagues in order of arrival.

Senator Martinez.

STATEMENT OF SENATOR MEL MARTINEZ

Senator MARTINEZ. Thank you very much, Mr. Chairman. I appreciate your comments earlier as well, and let me also welcome the witnesses here today, very especially my good friend Secretary Bernardi, who served with me at HUD and continues to so ably serve there. And I particularly also want to recognize my good friend Nan Roman who worked so tirelessly on this issue with me while I was at HUD, and I know continues to work there as well on all of these very important issues relating to homelessness.

In the year 2002, President Bush made ending chronic homelessness within 10 years one of his top national objectives, and then I as HUD Secretary began to implement some new directions to try to fulfill that commitment. We needed to make Federal programs that help the homeless more responsive to the people they were designed to serve, and I committed the resources of the Department to this goal and took steps to reengage the Interagency Council on Homelessness. I am very proud of what the Interagency Council has accomplished in just 5 years. Unprecedented Federal, State, and local collaborations have been created through the council's leadership, and this would not have occurred but for the dynamic leadership of Philip Mangano, who I was fortunate to entice to come and head this council, and his hard work and dedication have paid off. Under his direction, the council has forged a national partnership that includes 20 Federal agencies, 49 Governors, over 300

mayors and county executives. Countless private sector participants have also worked, and all are working together to accomplish the goals of preventing and ending homelessness.

At the root of the problem is the issue of chronic homelessness, and that is what this program attempts to try to put an end to. I am pleased to convey that mayors and county executives across the country are able to report for the first time in 20 years that the number of individuals experiencing long-term homelessness on the streets or in shelters has, in fact, decreased. Miami, Florida, reports a decrease of 50 percent; Portland, Oregon, 70 percent; San Francisco, California, 38 percent; Philadelphia, 50 percent; Dallas, 43 percent. And the list of cities goes on and on.

I would like to note that these accomplishments would not be possible without the strong commitment of Federal resources. We have experienced 7 years of record targeted Federal assistance in homelessness spending with a record of the 8th year request now before the Congress. Federal funding provides the vital leverage needed for State, local, and private sector investment. Many of these Federal dollars flow through the program we have come here to discuss today, the McKinney-Vento Homeless Assistance Act. The legislation was originally passed as a response to an emerging crisis in homelessness. Since then, many homeless services and governmental agencies have used McKinney-Vento as an important tool to provide housing and services to homeless people throughout our country.

By all accounts, McKinney-Vento is working very well, but as with most things, there is always room for improvement. I would like to thank Senators Reed and Allard for introducing legislation that would reauthorize the housing titles of McKinney-Vento and improve the existing programs in order to make assistance more flexible, performance-based, and accountable. This legislation recognizes the importance of consolidating programs that represent a national consensus goal among advocates, providers, and government sectors. It also presents an opportunity to streamline the Federal role and administration while bringing a new set of expectations to the programs. Finally, the proposal emphasizes performance, innovation, prevention, and permanent housing solutions, as well as collaborative local planning in the public and private sector.

I would like to welcome our witnesses here today. Thank you for taking time out of your schedules to join us and share your perspectives on this very important issue, and I look forward to your testimony.

Thank you very much.

Senator REED. Thank you very much, Senator Martinez.

Senator Casey.

STATEMENT OF SENATOR ROBERT P. CASEY

Senator CASEY. Mr. Chairman, thank you very much, and thanks for bringing us together and for your work on this, along with Senator Allard.

I do want to say first thank you to our witnesses today, Mayor Franklin and Mayor Fenty and Secretary Bernardi. We appreciate your presence here today, and we are honored by your appearance and the testimony that you will give.

I just have a few comments about some of the numbers that we have heard already this morning, the numbers of Americans who are homeless who happen to be children and veterans, a tremendously disproportionate number for this country. And I think that is one of the things that brings us together today to try to work in a bipartisan way, not just to tinker with a piece of legislation or to reauthorize but to really make a commitment to ending homelessness. And we are so grateful for the work that has already gone on prior to this reauthorization.

I had a chance just in the last couple of days—I guess it was 2 or 3 days ago now—to sit in my office with two young people, a young man and a young woman who were homeless, in Harrisburg, Pennsylvania, our capital. And they had fought through that and are a tremendous example of how people can overcome just awesome obstacles in their way, a tremendous testament to the human spirit. And the focus of these two individuals is higher education. They wanted to climb out of their own situation of homelessness to attend a community college and to get higher education. So I think it is that kind of commitment and that kind of dedication to moving beyond their own problems that we see in a lot of our families who happen to be homeless.

In many ways, this issue and this legislation is a test of our common humanity. How we deal with this issue is a test for all of us in both parties, and I think there is a moral test that Hubert Humphrey set forth a long time ago about how we treat people in the dawn of life, the twilight of life, and in the shadows of life. And I think if he were here, he would include the homeless in the shadows of life.

A couple of basic questions. Senator Martinez talked about chronic homelessness. We have got to deal with that definition and how we define that by statute. Post-traumatic stress disorder, whether or not that should be a qualifying disability. I think it should. That is something to talk about. And also research, to continue the research into homelessness so we can better inform this Committee and the Congress generally on this legislation.

So, Mr. Chairman, I am grateful for the fact that we have this opportunity today, and I think it is a real test of all of us how we deal with this issue.

Thank you very much.

Senator REED. Thank you, Senator Casey.

Senator Sununu.

STATEMENT OF SENATOR JOHN SUNUNU

Senator SUNUNU. Is that me, Senator Reed?

[Laughter.]

Senator REED. Say it fast.

Senator SUNUNU. Thank you very much, and I very much appreciate the work that has been done on this legislation. I know a lot of it went on in the last session of Congress, and hopefully this is a bill that we can act on in a timely way in this session of Congress.

Whenever I speak to people in New Hampshire about the issue of homelessness and the Federal support that, as Senator Martinez pointed out, is very important, they highlight three critical items,

and that is, of course, the level of funds that Senator Martinez spoke about—and the level of funding has been good. We need to make sure that we have good authorization levels and that funding continues to be available. Second is timely access to the funds, and here we often deal with some of the inevitable bureaucracy that comes with any program of Federal oversight and administration. But I think the legislation recognizes that and tries to make sure that access to and availability of funds is handled in an effective and timely way. And then last, and maybe most important, flexibility, and that is because there are dramatic differences from community to community, State to State, city to city, regarding the fundamental needs in the homeless population, differences in numbers, whether there is chronic homelessness versus more transient family oriented homelessness or homelessness that might be created by a domestic situation. There may be greater or lesser prevalence of substance abuse, and in a similar fashion, there might be better or weaker substance abuse programs, which are critical to dealing with some of these issues. And then there are many other areas where there will be differences. All of that speaks to the need for flexibility.

Senator Casey mentioned the issue of defining chronic homelessness. This is extremely important because if we define it too broadly, then we will weaken our ability to handle those individuals and families that are most in need of the assistance that comes through these programs. So I think all of these issues need to remain in front of us as the legislation moves forward so that we can try to improve any weaknesses that come to light.

Three particular areas where I am most concerned is one with the targeting and consolidation that this bill recognizes is important. It takes four programs, consolidates them down—it consolidates three of the four programs into one so we see a reduction in the numbers, but then it creates two more. And I think we need to look long and hard before we start creating additional programs provided that the funds will get and can get to the local level and be used flexibly to treat these very needy individuals. We should always be concerned when we are creating more programs to target the same population.

Second is the criteria we use to judge applicants, the grant applicants. I know that the administration recommended that we establish six criteria for judging grants. I do not know if they are the right criteria or not, but I believe in the underlying bill we have 24 criteria. I am very concerned that as you expand that number of criteria, you slow down the process and you start to affect the access issue, the timely access to the funds. And I would certainly be interested to hear the mayors' perspective on the complexity of the criteria for the grants and the issue of consolidation and whether or not for someone that is in a leadership position at the local level those issues of flexibility and access are truly a concern.

And then the third area has to do with shifting budgetary authority for the contract renewals to the Section 8 program, and that is something I would be interested to hear the Secretary's thoughts on, whether or not Section 8 is really the right place to handle those contract renewals. The Section 8 program works effectively in many parts of the country, but it is a fundamentally different pro-

gram. It has its own administrative and oversight challenges, and I am concerned that if we move that contracting into the Section 8, we might lose some of the focus and the effectiveness of the McKinney programs that I think everyone on the Committee recognizes as being very important to the homeless population.

Thank you very much, Mr. Chairman, and I very much look forward to hearing our panel address those specific questions.

Senator REED. Thank you very much, Senator.

Senator Brown.

STATEMENT OF SENATOR SHERROD BROWN

Senator BROWN. Thank you, Mr. Chairman. Thank you for your leadership on the reauthorization bill, and, Mayor Franklin and Mayor Fenty, thank you very much for your public service.

About 5 years ago, I read a book by Barbara Ehrenreich called "Nickel and Dimed," and in her book she pointed out that in the 2000 Presidential election, not once did the major party candidates mention the word "housing" that she could find. And I think that 2004 was not much different in the Presidential race. The candidates simply did not talk much about housing and the fundamental problem in this country of enough high-quality, good, available, accessible affordable housing for people. I know that is only part of the problem we address today. But I am hopeful that your presence today, the Deputy Secretary and two of the most prominent, best mayors in the country, can help to put this on the national agenda for this Senate and for the House and for the Presidential race.

We are facing in part the difficult obstacle of we are still spending more than $2 billion a week on a war we should not be in, and there are some that want to extend tax cuts that have gone overwhelmingly to the wealthiest 1 percent of people in this country, making funding of all the kinds of things that you have advocated in Washington and in Atlanta and I advocate in Cleveland and in rural areas in southern Ohio that we need to do on health care and housing and education. But I am hopeful that your efforts and your continuing to speak out on issues of homelessness, on issues of housing, on issues of economic justice generally, will help to focus this country's attention as we move into a Presidential year on the issue of homelessness and housing for both parties and that it is actually debated instead of ignored.

Thank you.

Senator REED. Thank you very much, Senator.

Senator Crapo.

STATEMENT OF SENATOR MIKE CRAPO

Senator CRAPO. Thank you very much, Mr. Chairman, and I want to join those who have commended you and Senator Allard and Senator Shelby for your previous work on the reauthorization of this legislation and on this critical issue.

Most of the points of my colleagues are well taken, and I will not repeat them all. There is one issue that has not been addressed yet that I just wanted to highlight, and then I will focus on it a little more in the questions. But I come from a State that has a lot of rural areas—Idaho—and one of the concerns that we always have

in rural areas with regard to any Federal program that has some kind of a formula for the distribution of funds is whether the formula is set up in a way that does not create a disproportionate allocation of funds to the urban areas of the country. The rural areas do not have necessarily the organizational capacity that a lot of the organizations that deal with homelessness in the urban areas do. And so they to a certain extent do not have the competitive edge in competing for these kinds of grant monies and dollars that urban areas might have.

And so I am going to be interested to be sure that the performance-based application procedures in the legislation are going to be able to be implemented in a way that do not disproportionately move funding away from rural areas. I do not think that I am saying that the rural areas should get more than their share, but they certainly should get their share. And so that is an issue that I think we need to pay attention to.

Thank you, Mr. Chairman.

Senator REED. Thank you, Senator Crapo.

Let me recognize Senator Allard now and thank him personally for his help on this effort, but also his great leadership over many years with respect to the Housing Subcommittee. It has been a pleasure working with you, Wayne, and thank you very much.

STATEMENT OF SENATOR WAYNE ALLARD

Senator ALLARD. Well, thank you, Acting Chairman Reed, and I also would like to thank Chairman Dodd for allowing us to hold this meeting, and certainly my Ranking Member, Senator Shelby, has been most helpful on this particular issue.

It has been a team effort, and so I am particularly pleased that I could work with my friend from Rhode Island. And you and I have been working on this issue for some time, and I am pleased that we are moving forward.

In 1987, Congress passed the Stewart B. McKinney Homeless Assistance Act, now known as the McKinney-Vento Homeless Assistance Act. The act was the first comprehensive law addressing the diverse needs of the homeless, including programs at the Department of Health and Human Services, the Department of Education, the Department of Labor, the Department of Agriculture, and the Department of Housing and Urban Development. Until enactment of this law, the problems confronted by the homeless were mainly addressed at the State and local level. The McKinney Act represented a consensus that had developed that a major Federal commitment was required in order to end homelessness.

Currently, the Federal Government devotes significant resources to the homeless. For fiscal year 2007, HUD's homeless grant programs are funded at $1.44 billion. Yet, despite the enormous Federal resources directed toward homeless, the problem persists. We need to bring more accountability to homeless assistance, increasing funding for successful programs and initiatives, and replacing those that are ineffective.

There seems to be consensus that the McKinney-Vento Act has been an important tool to help some of society's most vulnerable members and that the first step should be reauthorization of the

act. There also seems to be a consensus that the second step should be consolidation of the existing programs.

I originally introduced consolidation legislation in 2000, and then Senator Reed offered a proposal in 2002. HUD has also advocated for a consolidated program for several years now. While we differed in some of the details, including the funding distribution mechanism for a new program, these proposals offered consensus on the important starting point of consolidation.

After extensive discussion, Senator Reed and I introduced the Community Partnership to End Homelessness Act. The bill will consolidate the existing programs to eliminate administrative burdens, multiple applications, and conflicting requirements. The streamlined approach will combine the efficiencies of a block grant with the accountability of a competitive system. Localities will submit applications outlining the priority projects for their area based on outcomes and results. I am especially supportive of approaches such as this one that focus on results rather than processes.

The Community Partnership to End Homelessness Act also attempts to acknowledge that homelessness is not confined to urban areas, although the solution in rural areas will be different for rural areas. This is important in States like Colorado which have both urban and rural homelessness challenges.

I would like to take a moment to acknowledge the work of Denver Mayor John Hickenlooper. Since he took office, Mayor Hickenlooper has been on the forefront of the effort to end homelessness in Denver. He has shown tremendous leadership and was instrumental in creating Denver's 10-year plan to end homelessness. So far the plan has shown very encouraging results. Mayor Hickenlooper's feedback was helpful in formulating a bill that would support and encourage such plans. Unfortunately, Mayor Hickenlooper was unable to be here today to express his support for the Community Partnership to End Homelessness Act.

Senator ALLARD. He has been a good friend on this issue, and I look forward to working with him to end homelessness in Colorado and across the Nation.

I appreciate this opportunity to hear from a variety of witnesses regarding consolidation of HUD's homelessness programs, including the Community Partnership to End Homelessness Act. I believe it is a thoughtful bill and was introduced after extensive consultation with many different groups. However, Senator Reed and I have both been clear that we are open to feedback and willing to continue to work with people in order to move the bill forward.

I would like to thank all our witnesses for being here today. Your testimony will be helpful as we move to enact legislation to better prevent and end homelessness.

Thank you, Mr. Chairman.

Senator REED. Thank you very much, Senator Allard.

Before I introduce the witnesses, I would like to personally thank the staffs for their great work on this legislation, but particularly Kara Stein in my office and Tewana Wilkerson in Senator Allard's office. They have done a remarkable job, and if we pay attention to them, we will be all set.

Secretary Bernardi, welcome. Roy Bernardi as Deputy Secretary of the Department of Housing and Urban Development is charged

with managing HUD's day-to-day operations, a $32 billion annual budget and the agency's 9,100 employees. As HUD's chief operating officer, Mr. Bernardi is responsible for improving ethics and accountability within HUD's programs and among its grants recipients. Mr. Bernardi formerly served as HUD's Assistant Secretary of Community Planning and Development, helping to develop viable communities by promoting integrated solutions to the challenges facing the Nation's cities. Prior to joining the Bush administration, Mr. Bernardi was the 51st mayor of the city of Syracuse, New York, and is still affectionately referred to as "Mayor Bernardi" in the Department. Welcome, Mayor Bernardi. Thank you.

We have two other mayors here. We are delighted to welcome Mayor Adrian Fenty, the mayor of Washington, D.C. Mayor Fenty was elected as Washington's youngest ever mayor in November 2006, carrying every precinct in the city in both the primary and the general elections. He assumed office with a resounding mandate. Mayor Fenty began his electoral career on the Washington, D.C., Council in 2001, winning a hard-fought battle. Councilman Fenty brought a new standard of constituent service to his ward, attracting new jobs and homes, fighting against nuisance properties that generated crime and decay, heightening police responsiveness, expanding community policing, and working to expand affordable housing. Mayor Fenty, welcome and thank you for your service.

We are also joined by Mayor Shirley Franklin, the mayor of Atlanta, Georgia. Mayor Franklin was elected in 2001 and is the first female mayor of Atlanta and the first African American woman to serve as mayor of a major Southern city. Since her inauguration in 2002, Mayor Franklin has worked to build a best-in-class managed city by strengthening existing frameworks, implementing progressive changes, and making the tough decisions necessary to improve Atlanta. Her accomplishments include establishing a commission of city leaders to study the problem of homelessness in the city and creating the blueprint to end homelessness in Atlanta in 10 years. The flagship project, the 24/7 Gateway Center, designed to serve 500 people a day with needed personnel and health services, opened in July 2005. Again, Mayor, thank you for joining us today.

All of your statements will be made part of the record. I would ask you to take 5 minutes to make your presentations, and you can summarize or extemporize as you wish.

Secretary Bernardi.

STATEMENT OF ROY A. BERNARDI, DEPUTY SECRETARY, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Mr. BERNARDI. Thank you, Chairman Reed, Ranking Member Shelby, and Members of the Committee, a special hello to Secretary Martinez, my old boss.

It is nice to be here with fellow mayors. It says "Secretary Bernardi" here, but as you indicated, Mr. Chairman, people still refer to me as "Mayor."

We are here today to do the reauthorization of the McKinney-Vento Act and the consolidation HUD's homeless programs—those are three programs: the Supportive Housing Program, the Con-

tinuum of Care, and the Single Room Occupancy—into one consolidated program.

Mr. Chairman, I want to give a special thanks to yourself and to Senator Allard and your staffs for the hard work that you have done over the years working with the staff at HUD in the Special Needs Assistance Program to bring this forth, acknowledging that your bill, S. 1518, represents a major step forward in the effort to consolidate the programs that I mentioned and to codify them in statute. It will provide greater flexibility, which in turn will enable improved performance and effectiveness of HUD's Homeless Assistance Grant Program, a program that I believe works very, very effectively.

I am pleased to report the administration's homeless bill was transmitted to Congress yesterday, and the proposal, as I mentioned, was to consolidate the three programs into one. We believe very strongly that it will provide more flexibilities to the localities. Some of the Senators here mentioned rural homelessness. We believe it will provide more flexibility. It will transfer, if you will, the grantmaking responsibility to the local decisionmaking bodies, and I would think that the mayors to my left would be in approval of that. It also funds prevention of homelessness for the first time. As you know, those three programs plus the program that is a program that is done by formula, Special Needs Assistance Program, Emergency Shelter Grant, that is the only program that has prevention as part of it now. So putting prevention up to 32 percent of the resources, we are together with your bill and our bill on that, I think that would be terrific.

Another big point Senator Sununu mentioned was the requirement, the time that it takes under the present system evaluating 6,000 applications with 450 continuums. Each one of those applications has to be evaluated, passed on, and then put into place, and it takes a year. If we consolidate these programs, we could move it all down to about 3 months.

The bills are very complementary, and while there are some differences, the common ground, I think, is very, very strong.

When it comes to matching requirements, we need to do a single match, and both bills indicate that. Right now the Supportive Housing Program has three different matches for three different areas. Our bills will say 25 percent will be the match for all of the programs.

While they are similar, we do have some differences. It was mentioned the selection criteria. We have six selection criteria in place. We feel that that is sufficient. The Senate bill calls for significantly more criteria.

Ending chronic homelessness, that has been a goal of this administration and of this Congress. The bill keeps that in place and the definition in place.

It increases the efficiency in the award of competitive funds by consolidating existing programs into a single program application, where the Senate bill adds two additional programs—one for prevention and one for rural housing. We feel very strongly—and in the question-and-answer period I can tell you why we feel so strongly—that perhaps we do not need to do that. But I also want

to say that obviously whatever you all decide, we can implement it.

We want to maintain the source of funding for permanent housing renewals as the homeless assistance grants, whereas the bill, Senate bill 1518, provides for renewals in the Section 8 project-based rental assistance account.

In closing, Senator, I just want to indicate that I would be happy to answer any questions, and it is a pleasure to be here.

Senator REED. Thank you very much, Mr. Secretary. Mayor Fenty, please.

STATEMENT OF ADRIAN M. FENTY, MAYOR, DISTRICT OF COLUMBIA

Mayor FENTY. Thank you, Chairman Reed, Ranking Member Shelby, other Committee Members. Thank you for having me. For the record, my name is Adrian M. Fenty, the fifth elected Mayor of the District of Columbia, and I am pleased to testify in support of the Community Partnership to End Homelessness Act of 2007, a huge priority of our administration in Washington, D.C.

I will talk briefly about the District Government's efforts to end homelessness in the Nation's capital. Homelessness is a significant challenge in Washington, D.C., as it is in every other major city in this country. The homeless population has decreased in Washington, D.C., but the high cost of housing and the high rate of poverty in many of our neighborhoods are still major concerns.

According to 2007 data, on any given night we have more than 5,700 homeless residents, including 1,760 who are chronically homeless. This represents a 6.5–percent decrease from 2006, and of these 5,700 residents, many are in emergency shelters, transitional housing, and some still on the street, as every Senator here knows firsthand. We also have more than 18,000 people who identify as homeless on our Housing Choice Voucher Program waiting list, a waiting list that now numbers over 50,000.

The District continues to increase its stock of affordable housing, including permanent supportive housing, where 38 percent of our homeless population resides. This is an increase of 11 percent over last year, which means that 3,582 formerly homeless people are now living in permanent housing. We are thankful to the Department of Housing and Urban Development for its support of the District's continuum of care. We are just submitting our new application requesting more than $17 million in funding for many important renewal projects and five new permanent housing projects. This application reflects the city's commitment to the objectives laid out in our own Homeless No More plan, implemented in 2004 with a goal of ending homelessness in 10 years.

We are also committed to a Housing First strategy that focuses on, first, getting a roof over one's head and then providing the needed services to keep people in permanent housing. And we have created a new locally funded rent subsidy program to provide permanent housing to hundreds of homeless residents in the Nation's capital.

Our efforts in the District are spearheaded by our local Interagency Council on Homelessness for the purpose of facilitating interagency, Cabinet-level leadership. The District Government

supports the Community Partnership to End Homelessness Act of 2007 because it is consistent with our own comprehensive housing strategy.

Several significant changes we think are noteworthy. First, consolidating and simplifying current funding programs—Supportive Housing, Shelter Plus Care, and Moderate Rehabilitation/SRO—into a single community homeless assistance program. This allows flexibility in funding preventive services and programs for the chronically homeless, including families and people with disabilities. The bill also increases accountability and rewards high performance—approaches our administration have begun to implement throughout the city.

The act has a significant focus on prevention, including separate funding for doubling up of households, one of our highest indicators of being at risk of becoming homeless. The prevention focus is important and builds off our successful Emergency Rental Assistance Program, begun in December of last year, which helps families that may become homeless because of a significant event in their life—loss of a job or emergency medical expenses. This program helps these families stay in their current living situations instead of becoming homeless. Since January, we have assisted almost 1,500 households with their rental payments, providing an average of $1,713 per household to keep them in their current living situation and not become homeless.

Mr. Chairman, I believe having a single homeless person is too many in the Nation's capital—the capital of the world's most prosperous democracy. Having almost 6,000 homeless people is tragic. But I am fully confident that we can end this tragedy with the continued support of the Federal Government. Thus, I urge you to pass Senate bill 1518 without delay.

This concludes my prepared remarks, and I am open for questions.

Senator REED. Thank you very much, Mayor.

Mayor Franklin.

STATEMENT OF SHIRLEY FRANKLIN, MAYOR, CITY OF ATLANTA, GEORGIA

Ms. FRANKLIN. Thank you very much, Mr. Chairman, Ranking Member Shelby, and Members of the Committee. It is my pleasure to join my colleagues this morning with testimony in support of the reauthorization of the McKinney-Vento Act as it is critical to our continuing efforts in Atlanta to end chronic homelessness.

The partnership between the Federal Government and local communities has provided the primary source of funds, over $85 million since 1995, for our regional efforts toward identifying and filling the gaps in services for the homeless.

This funding has helped Atlanta and our two neighboring counties—Fulton and De Kalb—develop and sustain permanent supportive housing units, transitional housing units, and the wraparound services that are crucial to serving the population. HUD's emergency shelter grants, over $5 million since 1995, also help us develop and sustain emergency shelters, although we hope that someday this particular type of housing will no longer be needed.

In Atlanta, we approach the challenge of ending homelessness from both a humane mandate as well as a financially sound policy.

We know that the chronically homeless who migrate through our public systems—from the streets to the public hospitals, nonprofit agencies, to the jails and back to the streets—are a very expensive way to provide services. According to various studies from places as diverse as New York City, Portland, Oregon, New Hampshire, going back as far as 1987, each of these individuals can cost communities from $40,000 to $50,000 per year. We are in the midst of documenting the actual cost in Atlanta, and we anticipate the number is going to be extremely high.

We also know we can more effectively serve those individuals by getting them into housing with appropriate services for an annual cost of between $15,000 and $20,000 a year and can move many of them toward self-sufficiency, which they desire.

In Atlanta, we have taken this message to our residents and to the business community. We have challenged the local community to step up with local resources to do our part to match the Federal HUD dollars.

Two years ago, the city of Atlanta issued $22 million in Homeless Opportunity Bond funds to build and develop supportive housing. We are developing over 500 new units. The matching Federal dollars are critical to matching each of these project budgets. And through our Regional Commission on Homelessness, comprised of leaders from Atlanta and seven surrounding counties, we have developed our 10-year Plan to End Chronic Homelessness, and we have appealed to the business community to join our effort. The business and philanthropic community has responded with over $30 million in additional funds for housing and services to be developed throughout our region. We could not have been successful in our appeal if we did not use the Federal funds as leverage.

This reauthorization would allow us even to expand those initiatives. Several of the components have been discussed by my colleagues, and I will just add one or two points.

It creates separate funding for projects that focus on economic reasons for homelessness and prevention. It allows more quick authorization of the projects, allowing us to spend more time on those who are chronically homeless. The funding for ongoing renewal projects will be separated so that we can add funding for much needed new projects without jeopardizing the well-run and very essential existing projects.

It decreases the time period for the review process and technical submissions, moving it to within a year instead of 2 to 3 years. My written testimony will identify other advantages we see in this.

Finally, I would like to acknowledge the tremendous effort of the Interagency Council on Homelessness with whom I have worked over the last 3½ years. The Interagency Council has provided tremendous leadership and guidance to cities like Atlanta, to cities like Denver and others, in developing our own plans to end homelessness.

I am more than happy to answer any questions that will come up. I know that this is a very serious matter for the city of Atlanta, and I would just note that in the case of the city of Atlanta, the responsibilities for human services fall largely to our county gov-

ernment. So we have made special efforts to collaborate with our county governments so that we both in the cities, in the jurisdictions around Atlanta, and the counties can have a comprehensive way of approaching this problem.

We thank you for the opportunity to testify today, and I have provided written testimony as well.

Senator REED. Thank you very much, Mayor. Thank you all for your excellent testimony and for your great leadership in the communities and at the national level, Secretary Bernardi.

Mr. Secretary, let me ask you a question. Do you think the HUD definition of homelessness should be expanded?

Mr. BERNARDI. Homelessness, the definition that we operate under, is any individual who is living on the street or living in a facility, and I feel that covers it adequately.

Senator REED. In your testimony, Mr. Secretary, you state that the HUD bill and legislation sponsored by myself and Senator Allard would decentralize the Federal role in the selection of specific projects for each continuum of care. Can you talk about the practical impact at the local level for this decentralization?

Mr. BERNARDI. As I mentioned in my opening statement, 6,000 applications, there is approximately 450 continuums in the country. This consolidation of the three programs into one would basically—we would be down to about 450 applications, and it would be up to the local continuums and their boards to make a determination to prioritize their needs. And I can think of no better way to do that than by passing this legislation. It would give them the opportunity to make the prioritization.

I do not have the concern that perhaps some do that the local continuums would perhaps play favorites with it. You know, the homeless population, we just completed a report, the Annual Homelessness Assessment Report, and that report was issued in February. It will be issued every year now. It was a long time in coming. But the numbers show that 75 percent of the people that are homeless are in urban areas and cities; 25 percent are in suburbia and in the rural areas. Right now under the present continuum, 10 percent of our projects fund rural programs. So I believe the continuums look at everything very critically and address the needs.

So I feel very strongly—and I know you all agree—to push this into one consolidated program. That one consolidated program, as I mentioned in my opening statement, it would take us a few months to get through it, as opposed to now the funding—notice of funding availability goes out in February, all of the applicants, the continuums, have until the middle of June to return it to us, and then staff has to go through those 6,000 applications, and if we are fortunate, by December or January of the next calendar year, the decisions are made. I know Secretary Martinez always had asked when we had to go through that process, you know, we want the continuums and the communities to get the money in the year that we are working in.

Senator REED. Well, thank you, Mr. Secretary.

I have a question for both Mayor Fenty and Mayor Franklin. That is, you are where all this happens, at the local level, and if you could just elaborate on your testimony by indicating those as-

pects of current Federal policy that help you and those that are unhelpful. We will start with Mayor Fenty, then Mayor Franklin.

Mayor FENTY. Well, if I had to choose one, I think our directors believe that being able to apply it to one single program would not only make things happen quicker, but simplify what we need to have done. Thus, we applaud that effort of the bill.

We need to have certainty. A lot of this money is going into projects that we are trying to leverage money from the private sector and other government programs. Certainly, the funding and the timing of it, it is essential for us to be able to build more housing for our homeless neighbors.

Senator REED. Thank you.

Mayor Franklin.

Ms. FRANKLIN. I would agree with that, and I would add the point that the flexibility to identify, the flexibility to use the funds based on community need through a series of assessments that local communities use. In the case of Atlanta and Fulton and De Kalb counties, we are actually funding programs to match. So we have to be concerned about the use of those funds in a way at the local level that are not even engaged in the Federal funding process. So we feel confident that we can make the judgments, as been described by the Secretary, in identifying community need based on research, objective research, which is already gathered on an annual basis.

Atlanta is not in the position that I have heard several of the other presentations referred to where we have seen a reduction. We actually have a slight increase in the number of people with our most recent survey in 2007. We can document who we are serving, and we see people moving to self-sufficiency. But because of the draw of population that we are experiencing in Atlanta, we have about the same number of people today that we had 6 years ago—I mean a year ago and even 6 years ago.

So we know that we are going to have to be invested in this area for a long time, and the quicker that we can get the funds, the quicker we can move people, take care of people who are about to fall through the cracks and become homeless or address the issues of chronic homelessness and the lag time between, as have been described by the Secretary and the Mayor, really do put us at a disadvantage.

Our ability to leverage funds is knowing how much money we are going to have and then making the direct appeal either to the governmental entities—in my case, the city of Atlanta and the council—or to my neighboring entities. And if I am making the pitch not knowing when the funds are coming or how much, it is harder to get into the local budgets.

Senator REED. Thank you. Thank you all, again, not only for your testimony and responses to the questions, but for your great leadership.

Senator Shelby.

Senator SHELBY. Mayor Fenty, this is not totally aimed at you because we know you have not been in office that long, but I admire what you are starting out doing. Also, other than living in Alabama, I live in the District, too, and I see some changes, and

I wish you well as you tackle those and recognize those, which you do.

But the District of Columbia has received on a per capita basis more Federal homeless assistance than any other jurisdiction in the country, yet the District of Columbia in the past has only made minimal progress in reducing homelessness in recent years. I admire you for tackling this and recognizing the problem here.

You talked about a number of initiatives in your written statement you are undertaking to improve the District's record on homelessness, and I commend you for this. Could you take just a few minutes, if you would, and tell us how these new steps are different from the past ones that have been unsuccessful? In other words, what lessons have you learned in the District from past mistakes? And how are you putting those lessons—because you are doing it in other areas in education, and it needs to be done, and you have to do it while you are fresh on the job, don't you?

Mayor FENTY. It is an excellent point, Ranking Member. The District's strategy, I would say even 5 years ago, was really just to shelter, just put the homeless residents in shelter, and it was not very good shelter.

With the leadership at the Federal level and the national level, I think we have turned that to focus on housing, and now even more up-to-date a focus on prevention.

And so what we tried to highlight in the testimony was that through local dollars we have put millions in for rental assistance because in the District the price of renting a place is so high that you can indeed have a job and yet can be on the brink of homelessness because you cannot pay your rent or other utilities. And so we have tried at the local level to put dollars into that, and our rental assistance program is very successful. We have actually also put local dollars into the housing voucher program just because the number of people on the list is growing and we want to at some point reduce that list.

But I think some of the things that are in this legislation go right to the guts of what we are trying to do here in the District of Columbia, and that is, No. 1, to really focus on preventing homelessness from happening. And so the money for the doubling up of households we feel is critical, as we do focusing on residents who may be disabled or have some other ailment that may lead them to being homeless.

So I would say, Senator, to sum up, we are putting a lot more responsibility on our local government to do prevention, and we are not wasting dollars in shelter. We are building housing, and we would use Federal dollars along those lines as well.

Senator SHELBY. Mr. Secretary.

Mr. BERNARDI. I would just like to add that the first continuum of care demonstration grant was right here in the District of Columbia in 1994, and, Ranking Member Shelby, last year it was about $16 million to the continuum in the District of Columbia. And they were funded at about 96 percent of their ask, but they were looking for new programs, and that is one of the difficulties that we have. About 85 percent of the funding of that $1.2 billion that goes to the continuums, 85 percent of that is for renewals. So new projects, very difficult to fund.

I also want to say that the District of Columbia has tremendous private participation by local government and other entities that support their homeless program.

Senator SHELBY. Thank you.

Mr. Secretary, Hurricane Katrina, as you well know, because you work in this, displaced thousands of families, many of whom remain homeless today. What steps has HUD taken within its homeless assistance program to address the increase in homelessness resulting from Hurricane Katrina?

Mr. BERNARDI. Providing vouchers to the homeless population that——

Senator SHELBY. That lets them shop?

Mr. BERNARDI. Pardon me?

Senator SHELBY. Lets them shop.

Mr. BERNARDI. Yes. Vouchers for the homeless population. At the same time, other continuums of care around the country came to the aid of the Gulf Coast during its time of need. And also we are providing technical assistance through the Department to all of the continuums in the affected area.

Senator SHELBY. It is a challenge, though, isn't it?

Mr. BERNARDI. Oh, it is a tremendous challenge. There are so many challenges, but that perhaps is the most daunting of all, when people do not have the wherewithal, the ability, whether it is substance abuse, the reason that they are out there in the street. And it is an effort that we all recognize and we are all working together on.

Senator SHELBY. Mr. Secretary, how is HUD addressing within the continuum of care process the disadvantages faced by small towns and rural communities in their ability to compete for grants? Senator Crapo raised that earlier in his opening settlement.

Mr. BERNARDI. The capacity of rural areas obviously is not that of urban or suburban areas, but we have found, as I think I mentioned earlier, that the continuums work well in totality, making sure that all of the areas within their particular jurisdiction are represented and receive assistance. I did mention that 10 percent of the projects that we fund are in rural areas, and perhaps they are about maybe 10 percent of the homeless population.

I also believe prevention, as Mayor Fenty indicated, that is going to go an awfully long way, especially when you have people that are just on the edge. Those prevention dollars I think will go a long way in the rural areas—a lot of people are probably doubled up—to not have them fall into homelessness, to making sure that the resources are there in prevention, up to 30 percent the continuum can use with the new legislation, hopefully it will be passed soon, and utilize those dollars to assist people with a utility bill or a rent payment so that they do not fall into homelessness.

Senator SHELBY. Well, as you are aware, most States—and particularly my State of Alabama, we have large cities like Birmingham, Mobile, Huntsville, and Montgomery and so forth; and then we have a lot of small rural areas that will be impacted. And we want to make sure there is fairness in these programs.

Mr. BERNARDI. And the numbers that I mentioned, we are very cognizant of the fact that—we have a Homeless Management Information System, and of the 450 continuums, about 413, I believe,

are now part of our Homeless Management Information System, and what that does is they get extra points in the competition to count the homeless population. Where is that population? What are the needs? And how are you addressing it?

Senator SHELBY. Thank you for your indulgence, Mr. Chairman.

Senator REED. Thank you, Senator Shelby.

Senator Casey.

Senator CASEY. Yes, Mr. Chairman, thank you very much. And I wanted to thank the witnesses for their testimony. For purposes of this hearing, we will refer to all of you as "Mayors," if that is all right. But we appreciate the fact that you are literally, depending on whatever the military analogy is, on the front line, in the trenches. All those apply. So I think your perspective on this issue, but in particular the reauthorization, is especially relevant and pointed and focused. So I wanted to ask you about, I guess, currently where things are and, second, how this legislation would positively impact your work to end homelessness in your communities.

I was particularly interested in the question of families that have children with chronic disabilities or other more difficult circumstances and whether or not what is happening now under current law as opposed to what would be the case under the reauthorization, and in particular the Reed-Allard bill, how that would positive—I hope positively—impact that situation. If any of you can speak to that, and certainly the Secretary is more than familiar with the current status of that issue in terms of how we deal with chronic illnesses with children.

Mr. BERNARDI. Approximately 50 percent of the resources that we spend are to help the homeless with children. We do not list that as chronic homelessness unless there is a disability there. We feel very strongly that the chronic homeless population that exists in this country—and it is numbered at about 170,000 right now—that those are individuals—and I believe it was Senator Reed in his opening statement mentioned that they are chronic. They have been out on the street for a significant period of time. They have had multiple incidences of homelessness. A very difficult-to-reach population. As mayor, I recall seeing the same individuals that you try to assist and the revolving door and they would be back out on the street.

So we feel very strongly we need to put those individuals in permanent housing—not at the expense of families and children. As I mentioned, 50 percent of our resources go for families and children. But that chronic population—of 750,000 homeless people, we have 170,000 of them. They use about 50 percent of the emergency resources in this country. So we really need to take those individuals, provide them the emergency shelter, obviously the transitional, but get them into permanent housing. That is why we offer more points than the competition for continuums that do permanent housing. We feel that is the way to have those people hopefully be able to come back to a life of respect for themselves and of dependency, if you will, on themselves, but never at the expense of taking care of families and children.

Senator CASEY. Thank you.

Mayor Fenty or Mayor Franklin?

Ms. FRANKLIN. I would like to just add "ditto" to that, because we look at our numbers from 2007, there are two aspects of the changes that will help us. One is the flexibility and the ability to work toward prevention. Those two are really important to us because the flexibility gives us the chance to look at where the services are currently provided for homeless individuals or families with children and, therefore, assess where the greatest need is in the course of our work.

But our numbers show that we have 17, almost 18 percent of our homeless population which is families and family members, which tells you very quickly that our numbers track much of what the Secretary has said, large number of adult males who have to be served if we are going to serve the homeless population successfully. So we really have to work on both ends. And, frankly, the hardest piece in a city like Atlanta in our urban area, where we experience the most NIMBY factors are with the single men. So we would hope that the bill would speak—would allow us the flexibility to deal with both, depending on where the need is.

Mayor FENTY. Two quick points, Senator.

One, there is in the District of Columbia, less than 4 miles from here, a homeless shelter that we are actually trying to close and move those families into the type of supportive apartment-style living that the country would be proud of. And it is just so tough in the District, and so I cannot overemphasize how important any scarce dollars are for this purpose. And I think families are a very reachable population, and so the second point I would just make is that the preventive dollars that I talked about in this legislation are just so critical, because obviously no one wants to become homeless, but I think that is even more so with families. And so the more we can help them pay rent, pay utilities, or some other bill that could put them on the brink of homelessness, I think we are doing a lot not just for that individual parent but for the young kids who then could fall into a system or a pattern of homelessness themselves.

Senator CASEY. Thank you.

Senator REED. Thank you very much, Senator Casey.

Senator Martinez.

Senator MARTINEZ. Well, thank you, Senator Reed.

Secretary Bernardi, are we making progress with the chronic population, which to me seems to be the very crux of the problem. As I look back to what my goals were, I was always focused on the chronic population, which seems to take such a disproportionate share of the dollars compared to the rest of the homeless population and who are afflicted with other ongoing problems which caused their homelessness in the first place.

Mr. BERNARDI. We are, Senator. Over 200 continuums have reported in 2006 that their numbers of chronic homeless has decreased, so progress is being made in that area. A very difficult population to serve, as you know, Senator, but we are pointed in the right direction. And we feel that the continuums, not only the 200 but others, with the programs that we have in place, with the consolidation especially with the preventiveness of it, we can utilize additional resources to take care of that population.

Senator MARTINEZ. It seems to me a good idea to commend Senators Reed and Allard for their bill as well as the HUD proposal, which I think are very, very similar. Certainly consolidating the grant programs seems to be an idea whose time has come, and it would be a great thing.

But the one thing I would hope as we go forward is that there continues to be a focus on the chronic population as a key component of our strategy to end homelessness. And so I presume does not do anything to change that.

Mr. BERNARDI. Our bill does not, no. We want to continue that definition of chronic homelessness and work on that. I think as Mayor Franklin indicated, the predominance of single individuals, predominantly men, who are out on the street, you know, that recidivism, we just really need to continue our efforts on that, and not at the expense of anyone else out there, but at the same time making sure we continue to reduce those numbers.

Senator MARTINEZ. I think as we reduce those numbers, there will be more dollars available to help the remaining population, which oftentimes are more inclined to not fall back into homelessness. You know, what the mayor is trying to do with prevention and things like that, I mean, those are folks that are not going to be homeless but for the circumstances they find themselves in at a moment in time.

Mr. BERNARDI. You find in many instances that it is a single occasion for most people and families. They enter into a homeless situation because of a job loss or a domestic situation, and they are in and out of the system. But it is the chronic homeless that, as you mentioned, take a significant amount of the resources. So I think to continue the attention and the focus on that is extremely important.

Senator MARTINEZ. Mayor Fenty, I know that we are not—when I was at HUD, we worked very closely with your predecessor in terms of the special relationship with the District that I know HUD has enjoyed, and I am sure that will continue in the future. But I want to commend you for your efforts.

I know that my own interest in this issue was sparked by my first coming to D.C. and seeing in our Nation's capital the condition of homelessness, which I know President Bush also reacted to. And I think he and I and I know many others share in your goal that our Nation's capital ought to be a place where homelessness is a thing of the past. So I look forward to helping you in any way that I can.

Mayor Franklin, I wanted to touch on something else, too, which I think just to commend you for the great job that your city does with your housing authority and Renee Glover, who is such a great leader in that area, and yesterday we were in this room talking about HOPE VI and the reauthorization of HOPE VI and the hope that it brings to communities. And I know that you are a fine example of that, so thank you for being with us today and continue your good work in Atlanta, to you and Ms. Glover as well.

Ms. FRANKLIN. On that point, I would like to add that the housing authority is engaged in initiatives around eliminating chronic homelessness by designating vouchers that assist us in placing the chronically homeless in our housing authority projects. So they are

a full partner, and I am not here to testify on that, but I would have been yesterday. Thank you.

Senator MARTINEZ. Thank you, ma'am.

Thank you very much, Mr. Chairman.

Senator REED. Senator Menendez.

Senator MENENDEZ. Thank you, Mr. Chairman. I appreciate you holding this hearing. I appreciate your leadership on this question of homelessness. You know, we have 20,000 people in my home State of New Jersey that are homeless every day. We have three-quarters of a million people on any given night in America that are homeless. In my mind, that is really not acceptable. And when we talk about this issue, you know, home in my mind is the fundamental essence of strong families and strong communities. It is where we are brought to when we are born. It is where we are nurtured during the course of our lives. It is where we come to for celebrations and where we go through bad times. It is in essence where our heart is, and it is the very essence of creating, as I said, strong communities and strong families. As a former mayor myself, there is nothing that bothered me more than to see someone who did not have a place to call home.

So this is a critical issue, and, you know, Mayor Fenty, I appreciate the fact that—I think it was just reported that here in the District homelessness was reduced by 6.5 percent and chronic homelessness by 6 percent last year. I know the Ranking Member asked you some questions, and that is clearly progress, so we applaud you on that.

Let me ask you, though, I think in your testimony you said families that are forced to double up are not considered homeless for the purposes of technically homeless, but as you say, they are at a high risk for becoming homeless. With your experience, how are you trying to deal with that issue?

Mayor FENTY. Well, it really is housing, primarily, to make sure that the residents have the ability to live on their own instead of having to double up, and that is why the dollars that we are talking about here today are so important.

The other thing I just want to say kind of goes to Secretary Martinez's point, and that is, the amount of help that comes from the Federal Government really leverages the local official. And as a former mayor and all of us as mayors and former mayors know, the chronic homeless, the people who need our employment agency to work with them or a mental health agency, the more housing we provide, the more we get at the people who are kind of the "lower-hanging fruit," the more my administration can focus on the really tough problem that you are really just going to have to work with one on one through our Department of Human Services.

So as much as I think this bill is forward-thinking and going after the people who may become homeless or the families who may just have become homeless, it will help our administration be able to put even more resources into the chronically homeless residents who really are the people who I think people who are coming into the city, who travel downtown see hanging out in the parks or under the bridges, and the only way we can get them is with an infusion of resources by a whole team of people on the local level.

Senator MENENDEZ. And that is one of the concerns I have, and that is why I asked you the question, because whether it is yesterday's hearing on HOPE VI, you know, we cannot continue to have zero in the budget. And the reauthorization of that I think is incredibly important. We have great experiences in New Jersey. And then see a 17-percent cut in the capital funds for public housing authorities and see the ripple effect and then the asset-based management that is making it increasingly difficult for a lot of these public housing authorities.

And so I look at the ripple effect of this, and today we are focused on homelessness, but at the end of today it is about how much housing stock do you have, what type of resources do you have to meet all of these challenges in a holistic way.

Mr. Secretary, on that final note, let me just ask you: Senator Reed's bill allows families with one disabled parent to be included in a category of chronic homelessness. I understand the administration keeps its definition on chronic homelessness the way it is and does not include Senator Reed's view.

Don't you believe that when we have an adult in a homeless family that is disabled that that is a serious crick in the chain? And, second, on the same question of families, Senator Reed's bill ensures that 10 percent of national funding goes to chronically homeless families with children to provide permanent housing. Does the administration's proposal do the same? And if not, why not?

Mr. BERNARDI. On the disability of an individual in a family, I would agree with you the answer is yes. I would think that would qualify—that should qualify as a disabled homeless person if there is a person in the family that is homeless.

On the bill, the 10 percent, I am not familiar with our point on that bill, but what I will do is take a look at——

Senator MENENDEZ. Well, we would love to hear back from the administration.

Mr. BERNARDI. But I think we are close on so many of the areas, and I want to just reiterate what Senator Martinez stated. Senator Reed and Senator Allard have been working on this for a few years with their staffs and with our Special Needs Assistance Program, and I think we are close, and I just hope that we will be able to put it together. I think it is long overdue, and it would provide the kind of speed and the kind of assistance and flexibility that the mayors at the table here and all over the country need.

Senator MENENDEZ. Well, I appreciate that. I appreciate both for their leadership. But just a last point on families, at the end I think one of the mayors said no one wants to be homeless, and we do not want anybody to be homeless. But it seems to me the ripple effect in our society, particularly when families are homeless, is such an enormous consequence. It goes into our schools. It has many dimensions to it, and so I really applaud both of them and that element of the bill, and I hope the administration can work its way to find common ground with them on that and certainly look to be supportive of it.

Thank you, Mr. Chairman.

Senator REED. Thank you, Senator.

Senator Allard.

Senator ALLARD. Thank you, Mr. Chairman.

As you know, Mr. Secretary—or maybe you do not know—I have taken a particular interest in the PART program, and the current programs that you have at HUD dealing with the homeless and everything have been effective programs, according to that. And so I am curious to see how you are measuring your outcomes now and how you might measure them under this reauthorization of McKinney-Vento and if this will actually improve your ability to measure outcomes.

Mr. BERNARDI. Senator, we believe so, and I do know of your interest in GPRA. Each one of the continuums and the applicants, they provide an annual progress report, and that annual progress report is reviewed by the continuum in the area that it represents as well as by HUD. And as you mentioned, in the Program Analysis Report Testing through OMB, our Special Needs Assistance Program did score very, very high. It scored at 87. It was judged as one of the most effective programs in the country.

Just some of the statistics on that. The percentage of formerly homeless individuals who remain housed in HUD permanent housing projects for at least 6 months, our goal for 2007 is that will be 71 percent. And we met that goal in 2006; also, the percentage of homeless persons who moved from transitional to permanent housing, 61 percent.

Now, the employment rate of persons exiting HUD's homeless assistance programs will be 18 percent. That is another component, I think Senator Menendez indicated it. You know, we need to make sure that we prevent people from falling back into homelessness.

We also plan to create another 4,000 new permanent housing beds for the chronically homeless. We did that in 2006, just a couple hundred shy of 4,000, but our goal for 2007 is 4,000.

The performance measurement, we look at that very closely. The continuums do as well. And I think the consolidation will just give us an opportunity to have the continuums even more effectively work with the recipients in their respective jurisdictions to make sure that the best value for the dollar is being received.

Senator ALLARD. Thank you. I am going to address the next question to both the mayors.

Mayor Fenty, I have watched your new administration here in D.C., and I congratulate you on a good start. As you know, you have testified in front of the committee on which I serve on D.C. appropriations, and also it is good to see you here and hear what you have to say about homelessness. You know, I do think that it is important that we have a lot of cooperation between entities, and I believe that we need to do what we can to encourage more cooperation.

What are your thoughts about the entities, local entities that you have in and around Washington, D.C.? Are you all on the same page on this? Do you come out going on your own? Or are you so competitive that you cannot cooperate? I would like to hear some of the comments you have on that and if you think that this bill will help us straddle some of these multiple jurisdiction issues.

Mayor FENTY. As you are aware from working, Senator, I think there is the type of regional cooperation that is a model for the rest of the country, not only because of the fact that so many people from Maryland and Virginia work in the city, but because the Dis-

trict is small geographically and we work with our regional partners.

So through COG, through the Council of Governments, there has been an enormous amount of discussion and solutions put forward on how to deal with affordable housing and the crisis and how that impacts the homeless population. We will continue—I do think that the District is so different from the neighboring jurisdictions that there will not be any competition, that it will be the exact opposite, that there will continue to be collaboration. And I think that is also true with the Federal Government. It is lucky to be here in the District because we work very closely with the Senate and with the administration. And one place I think we can do even more of that is just specifically in the District. I do not know if it is the case in other cities. Our long waiting list for housing vouchers is detrimental to anyone who is looking for affordable housing. But for those who are homeless, they are so far back on the list that it is not even a useful tool anymore. And there may be a way going forward that we give more of a preference to homeless residents or looking into some other program.

Senator ALLARD. Mayor Franklin, do you have any comments in that regard?

Ms. FRANKLIN. Just briefly. The initiative to develop a plan started as an initiative of my administration, which is the city of Atlanta, 500,000 in population. We have grown that collaboration to cover eight jurisdictions, moving from 500,000 to nearly 3 million people are represented by their elected officials and business leaders on our Regional Commission for the Homeless. That regional commission is a voluntary service, so just in 4 years we have been able to show that this initiative can gain support outside of our own political jurisdiction. And I would say it is probably one of the best examples in Atlanta's history of voluntary cooperation on an initiative.

And to the extent that the flexibility is built in, as I understand it, certainly not as thoroughly as the Secretary does, we would be able to work across political jurisdictions on this continuum of care. And I would note that while the city issued $22 million in bonds using a car rental tax to finance those bonds for transitional housing and housing with supportive services, we make those funds available outside of our political jurisdiction because of the level of cooperation that we have developed over the last 4 years.

So we are hopeful that the flexibility will reinforce the kind of cooperation that we have developed over time.

Senator ALLARD. Thank you for your comments.

Thank you, Mr. Chairman.

Senator REED. Thank you, Senator Allard.

Senator Bennett.

Senator BENNETT. No questions.

Senator REED. Thank you very much for your excellent testimony. We will keep the record open because my colleagues might have written questions which we would ask you to respond to, but, Mayor Bernardi, Mayor Fenty, Mayor Franklin, thank you very much.

Let me call the next panel forward. Thank you very much.

At this time I would like to recognize Senator Bennett, who will introduce Mr. Pendleton. Senator Bennett.

Senator BENNETT. Thank you very much, Mr. Chairman. I appreciate Lloyd Pendleton's being here and the Committee's wisdom in inviting him. I think he brings a view of this whole issue that is both unique and very useful. He graduated from Brigham Young University with a bachelor's degree in political science and an MBA, and then worked for Ford Motor Company in Detroit for 14 years in the finance area before the Church of Jesus Christ of Latter Day Saints reached out for him and brought him back to Utah, where he has spent the last 25 years in the church's welfare department implementing a worldwide humanitarian program, and overseas, the expenditure of millions of dollars and millions of hours of volunteer labor aimed at humanitarian activities around the world.

During the last 2 years of his career with the church, he was a loaned executive to the State of Utah to assist the State in the development of a 10-year plan to end chronic homelessness and facilitate an organizational structure for implementing the plan. And last year he began working full-time for the State, after having the loaned status, to develop a 10-year plan, and he is presently employed by the State in the Division of Housing and Community Development in the Department of Community and Culture.

So we are very proud of you, Mr. Pendleton, and I am happy to introduce you to the Committee and welcome you here to the Senate.

Mr. PENDLETON. Thank you.

Senator REED. Thank you very much, Senator Bennett.

Let me introduce the other panelists. Ms. Linda Glassman is the current Secretary for the National AIDS Housing Coalition Board of Directors. Ms Glassman has been the Executive Director of the Corporation for AIDS Research, Education, and Services, CARES, in Albany, New York, for the last 12 years. CARES is a not-for-profit agency that provides technical assistance and consulting services to State and local governments, not-for-profit agencies, and funders regarding the planning, development, implementation, and evaluation of housing programs for homeless persons and persons who are living with HIV/AIDS and other disabilities. Prior to coming to CARES, Ms. Glassman worked for more than 15 years in the provision of housing to homeless individuals, including victims of domestic violence, runaway and homeless youth, and homeless families. Thank you, Ms. Glassman.

Ms. Carol Gundlach is Executive Director of the Alabama Coalition Against Domestic Violence. Senator, do you have any words to say?

Senator SHELBY. Mr. Chairman, thank you. I would be glad to reiterate some of the things that I had said earlier. She is well known in Alabama for what she stands for and what she has done. She is the Executive Director of the Alabama Coalition Against Domestic Violence. She is a member of the board of directors of the National Network to End Domestic Violence, and she has been very active in the area of ending homelessness, which we are all interested in housing. It is all connected in some way some days, and we are proud to have here testifying today.

Thank you, Mr. Chairman.

Senator REED. Thank you, Senator Shelby.

Mr. Moises Loza is Executive Director of the Housing Assistance Council, HAC, a national not-for-profit corporation that works to increase the availability of decent housing for rural low-income people. The organization provides technical assistance, training, research, and has a revolving loan fund with assets of approximately $60 million to assist with the development of housing for low-income families and hard-to-serve populations in rural areas. The Housing Assistance Council has loaned over $218 million, which has helped build over 60,000 units of housing in 49 States, Puerto Rico, and the Virgin Islands. It also conducts legislative policy and program analysis to assist, Federal, State, and public bodies and others to serve rural areas more effectively. Welcome, Mr. Loza.

Finally, we have Ms. Nan Roman, who is well known and who has testified many times before this Committee, and we thank her for joining us today. Ms. Roman is President and CEO of the National Alliance to End Homelessness, a leading national voice on the issue of homelessness. The alliance is a public education, advocacy, and capacity-building organization with over 5,000 nonprofit and public sector member agencies and corporate partners around the country. Under her leadership, the alliance has developed a pragmatic plan to end homelessness within 10 years. To implement this plan, Ms. Roman worked closely with Members of Congress and the administration as well as with cities and States across the Nation. She collaborates with alliance members to educate the public about the real nature of homelessness and successful solutions. She has researched and written on the issue, is frequently interviewed by the press, and regularly speaks at events around the country. Her unique perspective on homelessness and its solutions comes from over 25 years of local and national experience in the areas of poverty and community-based organizations. Welcome.

All of your statements are part of the record, and we would ask you to take 5 minutes and either summarize your statements or make any comments you wish, beginning with Mr. Pendleton. Welcome, Mr. Pendleton.

STATEMENT OF LLOYD S. PENDLETON, DIRECTOR, HOMELESS TASK FORCE, DEPARTMENT OF COMMUNITY AND CULTURE, DIVISION OF HOUSING AND COMMUNITY DEVELOPMENT, STATE OF UTAH

Mr. PENDLETON. Thank you. Thank you very much, Senator Reed and Ranking Member Shelby, for this hearing. I am honored to be able to comment on the Community Partnership to End Homelessness Act. I am also grateful for the support of our Utah Senators—Senator Bennett, who is a Member of this Committee, and Senator Hatch.

During the last 5 years, the approach to serving persons in homelessness has shifted dramatically, as been commented here today. Because of your direction, the McKinney-Vento funding, and the 10-year planning emphasis, great strides have been made in Utah the last 3 years on tackling the difficult problem of homelessness. I will share several initiatives that we have undertaken in the last 3 years.

One is our State Homeless Coordinating Committee, which was created in 1988, was restructured with the Lieutenant Governor as the Chair, and selected members of the Governor's cabinet and other policy-level decisionmakers were added as members.

Four new committees with statewide responsibilities were created to focus on improving discharge planning, increasing affordable housing, increasing and improving supportive services, and implementing a statewide Homeless Management Information System.

The Housing First model that has been developed in New York was introduced in Utah in August of 2005 with taking 17 chronically homeless individuals and putting them into housing, and they had a 25-year average of being on the street. This pilot has provided the experience and the confidence for us to implement other larger Housing First projects.

Twelve Local Homeless Coordinating Committees have been organized across the State, with local political leaders as the Chair of each committee. Each has prepared or is preparing a 10-year plan that is aligned with the State's 10-year plan that implements local programs to meet the local needs. Each of these Local Homeless Coordinating Committees has implemented or is implementing a pilot focusing on results-oriented solutions for the chronically homeless and/or those that are chronic consumers of resources.

This has especially raised the awareness of the rural political leaders in addressing the needs of the homeless. The homeless in the rural areas have not been as invisible as they are in the urban areas, and so this has made them much more aware.

Case managers assess their clients and track their self-sufficiency progress as part of a statewide Homeless Management Information System using a self-sufficiency matrix that we learned about that had been developed in Arizona.

A housing project of 100 units for the chronically homeless opened in March of this year, and another complex of 84 units will open in March of 2008. And a renovated hotel that is being purchased this month will be opened up late in 2008 and create 213 permanent units for the homeless.

Utah participated in the SSI/SSDI training that you provided, and in the pilot we have reduced the decision time from almost 2 years to 3.2 months.

The HUD McKinney-Vento programs are effective and useful for us. The programs mentioned above, and others, have created a momentum and excitement within Utah about our ability to realize the goal of ending chronic homelessness and reducing overall homelessness. Much of what we have accomplished is from more effectively reinvesting existing resources to achieve the desired outcomes. Continuing to build the momentum, however, will depend upon additional resources and continued collaborative efforts with the Federal Government, State and local governments, nonprofit and faith-based service providers, private foundations, and businesses. This is a society-wide problem that requires the cooperative participation of all of these organizations.

The proposed Community Partnership to End Homelessness Act addresses much of what has been learned in the last 20 years, and we applaud the changes to the bill that have been discussed and

are proposed. It will significantly benefit our eight Local Homeless Coordinating Committees covering Utah's rural areas.

In conclusion, we in Utah support the proposed changes in the Community Partnership to End Homelessness Act. I am proud of what we have accomplished. These accomplishments have come from the efforts of many caring and committed people. I am convinced if there is any State that can end chronic homelessness and reduce overall homelessness, it is Utah. Our target date to accomplish this is 2014.

Thank you.

Senator REED. Thank you very much, Mr. Pendleton.

Ms. Gundlach.

STATEMENT OF CAROL GUNDLACH, EXECUTIVE DIRECTOR, ALABAMA COALITION AGAINST DOMESTIC VIOLENCE

Ms. GUNDLACH. Yes, sir. Senator Reed, Ranking Member Shelby, and distinguished Members of the Committee, my name, again, is Carol Gundlach, and I thank you for the opportunity to testify this morning. I speak today on behalf of the Alabama Coalition Against Domestic Violence and the National Network to End Domestic Violence.

The interrelated nature of domestic violence and homelessness is undeniable: 92 percent of homeless women have experienced severe physical or sexual assault. Experiencing domestic violence or sexual assault often forces women and children into homelessness. Because so many women and children become homeless as a result of domestic violence, it is impossible to separate the two issues into distinct categories. If we do not address domestic violence, children will continue to grow up in fear and in poverty, likely to repeat the cycle of homelessness.

McKinney-Vento has provided significant funding for domestic violence shelters, transitional housing programs, and services. In 2005, over 600 domestic violence programs received nearly $118 million in McKinney-Vento funding.

Unfortunately, HUD's practice in recent years have caused a range of problems for victims of domestic violence and for the programs that serve them. As the Senate moves forward in reauthorizing McKinney-Vento, domestic violence service providers would support a bill that returns control to local communities and works for homeless families by expanding the definition of homelessness, reducing bonus points and set-asides, distributing funds to rural areas in a more equitable manner, and protecting the privacy of service recipients.

Senate 1518 takes great strides beyond current HUD practice, and we thank Senator Reed and Senator Allard for their work on this legislation, and we look forward to working with the Banking Committee to pass a bill that meets the needs of all homeless individuals and families.

The difficulty in addressing homelessness within Alabama provides a window into the complexities faced by many local jurisdictions. In Alabama, the homeless are often invisible, and it has been a real challenge to conduct a point-in-time survey in rural counties. We have long stretches of land where our volunteers run the risk

of being shot if they wander through people's fields looking for homeless individuals who might be sleeping in barns or sheds.

We see little, if any, chronic homelessness in rural Alabama or even small towns in Alabama. There are people who are at risk of chronic homelessness, but they are often from the local community and are doubled up with friends or family or sleeping from couch to couch. Many are in substandard housing conditions, and it is common in Alabama to see two or even three nuclear families sharing a dilapidated mobile home.

The homeless families and individuals in Alabama may be less present on the streets or in front of local businesses. Their needs are just as real. Families and youth doubled up can be less safe than they are in shelters. Despite the desperate need for HUD-funded housing and supportive services, these families and youth cannot access that assistance because HUD does not count them as homeless.

A broader definition of homelessness would accurately reflect homelessness in Alabama and be more inclusive of victims of domestic violence and people in rural areas.

Currently HUD sets aside at least 30 percent of funds for permanent housing for single adults with disabilities and awards points to continuum of care applications based on HUD priorities, including that of serving chronically homeless individuals. This takes decisionmaking away from the local service providers and local communities who we believe are best equipped to analyze the needs of homeless individuals and to develop effective responses.

In our experience, this top-down decisionmaking can lead to unintended results. The Coalition Against Domestic Violence took the lead in organizing a balance of State continuum of care incorporating most of the rural areas and small towns in our State. None of our proposals for services have thus far been funded, except for a small grant to develop a Homeless Management Information System, or HMIS. So we are in the peculiar position of developing an HMIS system for a region with no homeless assistance grantees and, therefore, no homeless individuals to include in the system.

As a result of the Chronic Homeless Initiative and the 30-percent set-aside, local domestic violence programs in at least 23 States have lost funding or are being told that they will soon lose funding because they do not serve the chronically homeless. The funding situation is much worse in rural areas because of pro rata share and emphasis on chronic homeless have heavily favored urban areas. Every community has different groups who are very difficult to serve, and prioritizing one over the other at the Federal level does little to help each State address their unique homeless population.

To ensure that victims of domestic violence, children, and homeless individuals in rural areas are served, reauthorization of McKinney-Vento should return decisionmaking to local communities. This can be accomplished by significantly adapting or reducing the 30-percent set-aside for permanent housing for disabled individuals and by removing bonus points that prioritize chronic homelessness.

Senate 1518 takes several very important steps toward a balance by expanding the 30-percent set-aside and the definition of chronically homeless to include families headed by adults with disabilities, and we applaud this change. We also believe that Senate 1518 should further expand these categories to include families with children who are disabled as well as disabled adults. If combined with a broader definition of homelessness, these programs would be much more responsive to the needs of communities, including our rural areas.

Thank you for your consideration and your support for domestic violence victims.

Senator REED. Thank you very much.

Mr. Loza, please.

STATEMENT OF MOISES LOZA, EXECUTIVE DIRECTOR, HOUSING ASSISTANCE COUNCIL

Mr. LOZA. Thank you, Chairman Reed, Ranking Member Shelby, and Senator Allard. We thank you for inviting the Housing Assistance Council to offer testimony on Senate bill 1518, the Community Partnership to End Homelessness Act.

My name is Moises Loza. I am the Director of the Housing Assistance Council, a national nonprofit dedicated to improving housing conditions for low-income rural Americans. I work like to thank you, Senator Reed, for your work to assist homeless people, and I also want to thank Senator Shelby for his efforts on behalf of the rural homeless.

Although homelessness is widely viewed as an urban problem, rural individuals and families also experience both literal homelessness and extremely precarious housing situations. Literal homelessness—living on the street or in a shelter—is less common in rural areas. Homeless people in rural areas typically experience precarious housing conditions, moving from one substandard, overcrowded, or cost-burdened situation to another, often doubling or tripling up with friends or relatives.

HAC analysis of the American Housing Survey data shows that over 6 million rural households experience a precarious housing condition, threatening their ability to achieve housing stability, and placing them at risk of homelessness.

The ability of rural organizations to meet the needs of homeless persons has often been hindered by geographic, programmatic, and organizational capacity constraints. Several structural issues limit the creation of these resources in rural areas. Such issues include a lack of community awareness and support, a lack of access to services, difficulties in assessing need, and definitions that limit resources to those who are literally homeless.

For these reasons, using Federal resources can be difficult in rural areas. Providers in rural communities have a strong incentive to emphasize homelessness prevention and permanent rehousing options. They depend on the best resources available, including Federal programs created by the McKinney-Vento Act. The changes proposed in Senate bill 1518 will improve rural access to essential homelessness assistance resources.

Senate bill 1518 demonstrates a critical and innovative thinking about the challenges facing homeless persons and providers and recognizes the realities of homelessness in rural communities.

Currently, continuum of care funds cannot be used for prevention activities, but Senate bill 1518 lifts this barrier for rural communities, and we applaud this change.

The Community Partnership would also consolidate HUD's three main competitive homelessness programs to reduce the administrative burden on communities caused by varying program requirements. Such a consolidation will benefit groups like the Tennessee Valley Family Services, a nonprofit organization in Guntersville, Alabama. Tennessee Valley serves the needs of runaway youth, other homeless youth, and children in need of supervision. Streamlining the application process for its varied programs would enable Tennessee Valley staff to spend more time delivering aid and less time on administrative work.

HAC supports the Rural Housing Stability Assistance Program because it will help local rural organizations address and prevent homelessness in their communities. The program uses the CDBG formula for distribution of funds, and as has been said before, we as rural advocates are obviously interested in the fair share going to rural communities.

The value of flexible targeting allowed in the Rural Housing Stability Assistance Program is demonstrated by the work of Bishop Sheen Ecumenical Housing Foundation, a HAC partner and faith-based organization that serves 13 rural counties in New York.

A striking story illuminates the work of Sheen Housing that help keep low-income persons away from literal homelessness. In this situation, Mr. C, his wife, and his 17-year-old son all live in housing where the ceiling was literally about to collapse. Sheen Housing made the needed health and safety repairs, including replacing the ceiling, repairing the roof, and painting the interior. Mr. and Mrs. C and their son are now able to remain in their home.

HAC also supports the simplified application and capacity-building portions of the Rural Housing Stability Assistance Program. Across the Nation, rural residents need housing and services. Yet many of these residents are still crowded into others' homes, at risk of injury in substandard housing, unsheltered, or still paying more than they can afford, simply because community-based and faith-based organizations in their areas do not have the knowledge or funding to help them.

As an intermediary organization for 36 years, we have repeatedly said that strengthening the capabilities of local rural housing organizations can provide immense benefits to rural communities. The simplified application will help rural communities access much-needed resources. Capacity-building funds will provide investments that enable local rural organizations to meet the needs of homeless and precariously housed people.

In short, the Rural Housing Stability Assistance Program is sensitive to the needs of rural communities and presents crucial, flexible resources for rural organizations providing homeless assistance programs to their communities.

Senator REED. Thank you very much, Mr. Loza.

I would note that a vote has just been called, and we have about 12 or so minutes left to go. So I think the best thing to do would be to stand in recess for a moment, allow us to vote, and we can return and you can complete your testimony without interruption, and then we will get to the questioning. Thank you for your forbearance.

The Committee will stand in recess until we return from the vote.

[Recess.]

Senator REED. Let me call the hearing to order again. When I left, the lights were brighter and the music was not playing.

[Laughter.]

So I am glad you had the opportunity to relax.

Again, I apologize, but the one unavoidable obligation is going to vote, and we had to do that.

I believe we are up to Ms. Glassman. Please.

STATEMENT OF LINDA GLASSMAN, SECRETARY, BOARD OF DIRECTORS, NATIONAL AIDS HOUSING COALITION

Ms. GLASSMAN. Thank you, Senator Reed, for allowing us to give testimony on this most important issue. My name is Linda Glassman. I am here today representing the National AIDS Housing Coalition, which is a 13-year-old national not-for-profit housing organization working to expand resources for housing persons with AIDS in communities nationwide. I am also the Executive Director of CARES, a not-for-profit agency in Albany, New York, which not only provides housing for persons with HIV/AIDS but also coordinates the McKinney-Vento Act-funded Continuum of Care process in four counties in northeastern New York and provides support in understanding the Continuum of Care process to a variety of communities, both urban and rural, throughout upstate New York.

Consolidating and streamlining the Federal low-income housing programs that respond to homelessness is very important to the National AIDS Housing Coalition because of the tremendous impact that homelessness has on the health and longevity of persons living with AIDS. A number of research studies have now demonstrated that homelessness is a major risk factor for AIDS, and HIV is a major risk factor for homelessness.

The National AIDS Housing Coalition's Research Summit initiative provides a regular forum for researchers, housing and homeless policy experts, residents of AIDS housing programs and their advocates to explore the role that stable housing plays in HIV prevention, care, and treatment. One of the Research Summit's most important documented findings is that up to 60 percent of persons living with HIV/AIDS have had an experience of homelessness or housing instability at some time during their illness. As a result of this and other compelling research findings, NAHC has adopted a policy imperative making housing homeless persons with HIV/AIDS a top prevention priority.

Because of the documented importance of providing adequate, affordable housing for persons living with HIV/AIDS, the National AIDS Housing Coalition has strongly supported the Housing for Persons with AIDS—HOPWA—program. However, we estimate that the HOPWA program currently falls $168 million short of

meeting the national need for housing for persons living with HIV/AIDS and their families. In many communities, such as my own in upstate New York, more homeless persons with HIV/AIDS are assisted in acquiring and maintaining stable housing with McKinney-Vento Act dollars than with HOPWA funding. Therefore, reauthorization of the McKinney-Vento Act has a direct impact on the provision of transitional and permanent supportive housing for homeless persons with HIV/AIDS, along with homeless persons with other disabilities.

The National AIDS Housing Coalition strongly supports the Community Partnership to End Homelessness Act of 2007. The bill's sponsors have given careful consideration to what has worked well in the existing legislation and have been able to retain that, while making needed changes to parts of the legislation in order to better facilitate local efforts to end homelessness. The National AIDS Housing Coalition is supportive of the Community Partnership to End Homelessness Act's focus on community collaboration, its flexibility in the types of entities that can serve as a collaborative applicant, and its creation of a standard matching requirement.

There are three particularly positive aspects of the legislation that we would also like to highlight. The first of these is the increased emphasis on prevention and rehousing activities. It makes absolute sense to intervene before people become homeless, providing them with the temporary support needed to make a rent payment or cover the cost of utility bills, rather than to wait until they become homeless to serve them. It also makes sense to offer rehousing assistance to individuals and families who have already become homeless but who are not in need of ongoing supportive services. The provision of short- and medium-term rental assistance would enable these individuals and families to be stably housed while awaiting permanent housing provided by local housing authorities, Section 8 providers, and other mainstream housing assistance programs.

Second, we would like to convey the National AIDS Housing Coalition's support for the proposed Rural Housing Stability Program. The National AIDS Housing Coalition includes members from rural communities that, while not having the same sort of visible homeless—and I think that is a term we have all used here—that the big cities have, have very high levels of poverty and homelessness, especially family homelessness. I work in a number of these rural communities in upstate New York and know firsthand just how difficult it is to make meaningful use of McKinney-Vento Act funding, especially with all the changes that have happened in the last few years.

I know that for many of you the name "New York" does not exactly conjure up images of rural farmland and craggy mountain peaks, but that is exactly the topography of much of upstate New York. Many of the communities in which I work are located in the Adirondack Park in which there is much poverty, insufficient and poor-quality housing stock, little governmental infrastructure, and only a smattering of not-for-profit agencies. These communities, which can span several counties and 100 or more miles, do not have the capacity to meet all of the requirements of the continuum

of care process, including holding monthly meetings of all providers, conducting point-in-time counts of homeless individuals and families—especially since these are mandated to be held in the last week of January, when weather conditions can be prohibitive—and they may not have the resources needed to pay for costly data collection software. Because they have few major streets, these communities do not have any "street" homelessness; rather, homeless persons remain hidden from view in encampments, unheated barns, and other places not suitable for habitation. Because there are no emergency shelters, homeless individuals and families are housed by friends, their extended families, and by compassionate members of local religious congregations and other local residents, thereby disqualifying them from being considered "homeless" under the existing McKinney-Vento Act definition.

My own experience is echoed by that of other National AIDS Housing Coalition board members who serve rural communities in Alabama, Missouri, Ohio, and even Hawaii. It is clear to us that these rural communities have different, not lesser, needs than their urban and suburban neighbors. The National AIDS Housing Coalition strongly supports the creation of the proposed Rural Housing Stability Program, which will provide rural communities with the latitude and flexibility needed to address their unique challenges. We also hope that sufficient funding is allocated to make this program a reality.

I would like to add that I say this as the daughter of a man who spent a number of years in his childhood living in an abandoned chicken coop because his family had no housing. And I know that homelessness does not look the same as it does on the streets of Washington, D.C., and it does not look at the same as when I was working in Times Square in the late 1990's with homeless youth, well before Times Square was Disney-fied. But it is homelessness just the same, and I really applaud you for addressing it and for allocating appropriate resources toward it.

The third aspect of the Community Partnership to End Homelessness Act of which we are particularly supportive is the shifting of renewal funding for permanent supportive housing programs to the Section 8 account. These programs are indeed meant to house people permanently, and it makes sense to renew their funding out of an account that is set aside for permanent housing. Even more importantly, this would free up McKinney-Vento Act money to be used to serve additional individuals and families rather than having most of it taken up with funding renewals. Certainly, the extent of the need for additional homeless housing resources more than justifies this shift.

Having established our strong support for the Community Partnership to End Homelessness Act of 2007, and having focused on three particularly positive components of the legislation, we would like to offer just one suggestion, which is to consider making a modification of the definition of homelessness used in the legislation. We understand the need to use this funding to serve individuals and families who are most in need, but members of our coalition have encountered a small percentage of truly homeless persons who have not been eligible for permanent housing under the McKinney-Vento Act because they are unable to access emergency

shelters, one of the only two means of qualifying as homeless for the purposes of accessing permanent supportive housing according to the existing Act. The National AIDS Housing Coalition respectfully requests that the bill's sponsors consider as homeless the following: one, people who are temporarily staying with friends or family who have stayed in at least three different households in the last year because they did not have the resources to rent a housing unit consistent with Federal housing quality standards; and/or, two, homeless people who are temporarily staying with family or friends whose presence in household in which they are staying causes the leaseholder to be in violation of the lease, such as in public housing or in the Section 8 program.

We ask for this consideration because, in areas where there are no emergency shelters, the two mentioned circumstances are the two housing options most available to homeless individuals and families. We want to be clear that we are not asking for a wide expansion of the definition of homelessness, but just for geographic parity for those communities in which emergency shelter is not obtainable.

We would also like to respectfully request that this definition be placed in the record.

Senator REED. Thank you. Could I ask you to conclude?

Ms. GLASSMAN. I am just about to. OK.

Having made that request, we just want to express our strong support for the act, and thank you very much for letting us testify.

Senator REED. Thank you very much.

Ms. Roman, your testimony, please.

STATEMENT OF NAN ROMAN, PRESIDENT, NATIONAL ALLIANCE TO END HOMELESSNESS

Ms. ROMAN. Thank you so much. First, I just want to thank you, Chairman Reed, so much for the leadership you have shown on this, and Senator Allard as well. I am sorry he is not here so I could thank him myself. We appreciate very much all you have done to try to move this forward and help us make progress over the years. We are tremendously grateful for that.

I also want to thank you for inviting me to come here to testify on behalf of the National Alliance to End Homelessness Board of Directors. This really is, as everyone has said, a terribly important subject because the HUD McKinney-Vento Act funds provide resources to meet the needs of 1 percent of all Americans who become homeless every year and 10 percent of all poor Americans who experience homelessness every year. So it is a problem that is very wide-ranging.

The funds are essential to meet the emergency needs of a diverse group of people, which everyone has described—families, veterans, people with domestic violence issues. So the needs are very diverse, and their emergency needs need to be met. But the solutions to homelessness are also importantly funded out of this; as well, the process of allocating these funds really has become the locus over time of community discussions to try to make progress. So it is pulling a lot of other resources and agencies into the discussion, and I think that is an important thing as well.

And most recently, it has played a key role in the implementation of these 10-year plans. Both Mayor Franklin and Mayor Fenty talked about the plans to end homelessness they had in their communities. A major resource that is used to implement those plans, which about 300 different communities are now working on, and has really—that planning effort really has changed the discussion around homelessness in a lot of places. These are the funds that go to do that.

So we believe that the Community Partnership to End Homelessness Act does a really good job of codifying existing practice that is working, while increasing the focus on outcomes and enhancing community efforts with some new initiatives. And I will just point out a couple of the provisions that seem to us to be particular important.

First, the needs of families, homeless families, require more attention. Your bill contains a host of provisions that will place attention squarely on solutions to family homelessness, including homelessness of families, as has been pointed out, who have domestic violence histories and experiences.

Among the most significant things I think the bill does is provide the prevention funding that is available to families, increase the amount of resources available for housing services, provide some permanent housing for non-disabled families for the first time, and including families in the definition of chronic homelessness, which I think is an important thing. We can end family homelessness. We are learning a lot about how to do that, and I think this bill will help us move forward.

A second thing is that prevention does make sense. But prevention efforts really do have to be carefully designed and targeted. There is a huge group of people in this country, unfortunately, with critical housing problems who could be candidates for prevention assistance. For example, using American Community Survey data, we estimate that there are between 2.5 and 10.5 million people who are doubled up for economic reasons. That is about somewhere between 4 and 15 times as many people as we currently define as homeless, and we are not even meeting the shelter needs of half of the 750,000 people we already define as homeless.

Further, there are 13.4 million people who have worst-case housing needs, another group of people likely to be the target of prevention efforts. That is 19 times more people than are currently homeless.

The McKinney-Vento Act programs cannot address the needs of everybody in the country with serious housing problems, at least not without significant and commensurate increases in funding, and even in that case I am not sure it would be a good idea to run everybody who has housing problems through the homeless system.

But having said that, prevention does make sense. It can avert tremendous human suffering. It can avoid expensive remedial interventions. And your bill I think takes a sensible and much needed approach, which is to create a modest but significant pool of funds that communities can use strategically for people who are really at high risk of homelessness to avoid them falling over the brink into homelessness, including many people who are doubled up.

So I think we can address the needs of vulnerable people without taking on the entire affordable housing crisis into the homeless system, and I think your initiative is very important in that respect.

And the third thing which everyone has talked about, which I think is great, is the rural approach to rural communities. The problem of homelessness is different in rural communities. The current programs do not match up very well with the needs in rural communities. And rural communities have been disadvantaged in the competition because of their lack of capacity, and this is a shame because I actually think rural communities probably have more potential to end homelessness than urban communities. They have many fewer homeless people, and they have the mainstream systems more involved. They do not have this in-between big homeless system, which can be an advantage. So I think the changes that you propose in your bill really level the playing field with respect to the competition for funds, which is probably the main way rural communities are going to get more resources, and they give them more flexibility to address the problem as they see it.

So I think all of the things that have been raised, issues that have been raised about rural communities, the bill really addresses that, and I thank you for that.

So, in summary, the National Alliance to End Homelessness strongly supports the Community Partnership to End Homelessness Act. The act contains significant new and much needed initiatives on prevention and rural homelessness. It retains the commitment to meeting the needs of chronically homeless people, and I just want to mention that there are many veterans—this came up, and no one has really talked about that. But there are many veterans who fall into the chronic population, so that is important as well.

It continues to target assistance to chronically homeless people and disabled people, including families, not only individuals. And it rightly expands the chronic initiative to include families. It additionally has a significant new focus on families, which is great.

I think it does not pretend to be able to do everything that can be done about people with affordable housing problems. But it does really increase the focus on outcomes and move us forward and provide more flexibility, all of which people have said was needed.

So we are very grateful for all you have done to move it forward. At the National Alliance to End Homelessness, we judge everything by one thing, which is whether it helps us end homelessness in the Nation, and we think that the act meets that test. So we are happy to be in support of it here today.

Thank you so much.

Senator REED. Thank you very much. I want to thank all of the panelists for their excellent testimony, and we have an opportunity to ask some questions without being diverted by my colleagues.

[Laughter.]

Throughout the testimony of all the panelists was the issue of definition, and we face a very practical problem. We have a finite resource, about $1.8 billion, and if we expand the definition, then logically we expand the number of people. And there is a fear that we lose the focus and the dollars that could be targeted adequately to address different populations of homeless.

One of the aspects of the bill—and Ms. Roman talked about it—is this notion of prevention money with some flexibility to perhaps go into these populations which are technically not in the definition of homelessness, but they would fall in the definition of people who could be homeless and, therefore, the prevention money could work.

I wonder if you might comment in terms of those two sections together in terms of this issue of definition, and I will ask everybody because I think your insights will be valuable, particularly those who come from areas that are not big urban centers but have rural populations.

Ms. ROMAN. Well, I appreciate the focus of the bill on outcomes, and I think we have heard here today that trying to achieve outcomes is important. So, you know, if we were to expand the population of people who are eligible for homeless assistance by somewhere between 4 and 15 times, which is essentially the size of the doubled-up—there is no definition of doubled-up so that is why the range is so large. But at the very least, we would have to multiply the amount of money that comes into homeless assistance by 4 to 15 times, and I think we would also have to relook at the eligible activities because—focus more on rehousing. I think what you do with the prevention fund is really allow people the flexibility to address this on a case-by-case basis for people who really are on the brink. There are a lot of people who are doubled up, which has been the proposed change, who are very stably housed. You know, it may not be the best situation in the world, but they are stable in their housing. They are not about to become homeless. But there are a lot of people who are, and I think Ms. Glassman raised the issue of people who really are couch-surfing. I would call those people homeless as well, or people who are about to become homeless, and I think your pool allows, you know, a strategic use of funds to address that.

We do not want to also pull people into the homeless system to get housing assistance and services. We want to help them stay where they are.

Senator REED. Well, one thing that we all understand, which is unstated, is that this is one aspect of an affordability crisis that transcends the whole housing market, and unfortunately, that crisis is working its way up the income ranks.

But having said that, Ms. Glassman, your comments, too. And we will take note of your suggestions, which were very thoughtful.

Ms. GLASSMAN. Well, there are two things. For me, many of the people with whom I work are the same people—and I worked in L.A. and New York—who would qualify for the program because they went through emergency shelter, but because one simply does not exist, it is the same mentally ill person, it is the same person with chronic substance abuse, it is the same person with HIV. There just is not the entry place into the system. So for me, for that small population, I would like you to give other consideration.

The other thing is I would like to get more clarity about that whole notion of medium-term housing in prevention, because it looks as if—we all know permanent housing is the solution. If the medium-term housing could last long enough until people could get into a Section 8 program or into some other, more stable housing, it would be very helpful. The problem is, as you well know, the

wait to do that is very long. But it does not make sense to me to pay first and last month's rent for somebody who then is going to be homeless 2 months afterwards because there is no housing stability in the middle of that. So I would like to give some consideration to that.

Senator REED. Thank you.

Mr. Loza, again, from your perspective—and also this is an opportunity—I will announce there is another vote that has been called, but this is another opportunity to make some comments for everyone that you had not yet expressed for the record. Mr. Loza.

Mr. LOZA. Thank you, Senator Reed. We appreciate the challenge of coming up with a definition that works. For a variety of reasons, getting all the different views together is difficult, and looking at resources also becomes difficult.

I think Senator Menendez was right. This has to be seen as part of a much broader issue. We have affordability. We have the need for new production. We have the need for bettering substandard housing. And what I think you are trying to do with this reform with Senate bill 1518 is really to cover that part that maybe is part of a larger one as opposed to trying to deal with pieces of different parts.

We are very grateful for a couple of things. One is that the recognition that rural areas need to be addressed differently is clearly evident in the bill, and we are very grateful about that. And the other thing is the openness of your office and of this Committee to really discuss, you know, how do we get to those points where we can come to agreement. And I think that is what it is going to take to sort of reach the point where not everyone will be satisfied, but at least everyone has an opportunity to offer important input.

Senator REED. Well, thank you, Mr. Loza. In that regard, thank you for helping us, all of you participating. Again, much of the credit goes to the staff, not to the principals, and I will once again thank them.

One other point is that we are trying to work through this government-sponsored enterprise reform bill, and within that bill in the House, there is a housing trust fund component, for lack of a better term, which we hope can generate up to $500 to $800 million for the issue of production for affordable housing that will take the pressure off a little bit the crisis that many people face today. But thank you for those comments.

Ms. Gundlach.

Ms. GUNDLACH. Yes, Senator Reed. I want to, first of all, second what people have said about the real improvements we see in your bill and to express our appreciation. I think that the emphasis on rural issues, emphasis on prevention issues, are going to go a long way to alleviating some of our concerns.

I will say that while I am cognizant of the concerns of dumping another 4 to 15 million people into the definition of homelessness, I do think it is exactly that process of identifying what the most critical need is that the whole continuum of care system was created to address. And, again, I go back to the issue of flexibility in local communities, that whether we have 100 or 500 homeless individuals in a community, if we can only serve 20, that local commu-

nity has got to decide where the greatest priority is, and that is done through that continuum of care process.

And so my biggest concern is not so much whether we define people who are doubled up broadly or narrowly. I think we do need some definition for couch-surfing certainly as being homeless. But I think that we really need the flexibility to those local communities to look at the broad array of homeless needs and homeless people in their community and decide what population needs the most targeting and what services need to be offered.

And so I think that counting the people is not as big an issue as deciding what we do with them, and that is really the job of the local community.

Senator REED. Thank you.

Mr. Pendleton, please.

Mr. PENDLETON. Yes. Eleven percent of the homeless people in Utah are in the rural area because they basically move to the Wasatch Front where it is very urban. With the changes in the flexibility and increase in the rural emphasis, it will give us the opportunity to work in the community where they live and prevent them from becoming homeless and moving to the Wasatch Front, to the urban area. So that will be very helpful for us because then they can stay in their community where they can get support from their family members.

So that is where we see a great opportunity for us, is to deal with the homelessness or near-homelessness in the rural areas. So we think this is a good move.

Senator REED. Well, this has been very useful for us, and I will add all of you have, I think, been very active in contributing through your national organizations and personally to the preparation of this legislation, and it benefits dramatically from your input. I thank you for that.

This is, as Allen Ludden once said, "a toss-up question," and I think we are all old enough to remember Allen Ludden—at least the panelists. Any final comments? I have 4 or 5 minutes before I have to run out of here and go vote, but any final comments? Ms. Roman.

Ms. ROMAN. Well, I would just say I just want to concur that despite the fact that homeless people do need services, it is a housing-driven problem. And so we appreciate the efforts of the Committee to address that. That ultimately is what is going to solve it moving ahead. And, again, just to thank you so much for your leadership on this issue.

Senator REED. Well, I think also Senator Allard has been a colleague and friend doing this, and we have switched off as Chair and Ranking Member and Chair and Ranking Member seamlessly. So it is truly a joint effort. I know your commendation is to him also, and I would join you in doing that.

Thank you all very much. We will keep the record open for about a week or so, 7 days. You might receive requests for written responses. I would hope you would respond as promptly as possible.

Thank you again, and there being no further business, the hearing is adjourned.

[Whereupon, at 12:59 p.m., the hearing was adjourned.]

[Prepared statements, responses to written questions, and additional material supplied for the record follow:]

Prepared Statement of Roy A. Bernardi

Deputy Secretary
U.S. Department of Housing and Urban Development

Hearing before the Committee on Banking, Housing, and Urban Affairs

United States Senate

"McKinney-Vento Act Reauthorization and Consolidation of HUD's Homeless Programs"

June 21, 2007

Introduction

Good morning Chairman Dodd, Ranking Member Shelby, Senator Reed, and members of the Committee. I am pleased to be here to discuss the proposed consolidation of HUD's three competitive Homeless Assistance Grant programs into a single program aimed at alleviating homelessness in this country. Consolidation would: (1) provide more flexibility to localities; (2) give grant-making responsibility to local decision-making bodies; (3) allow more funds for the prevention of homelessness; and (4) dramatically reduce the time required to distribute funds to grantees. The proposal would also further the Administration's goal to end chronic homelessness and move homeless families and individuals to permanent housing.

HUD has been providing funding for homeless programs since authorization of the McKinney Act in 1987. Through its Homeless Assistance Grants programs, HUD has awarded billions of dollars to communities across the country. Approximately 6,000 projects and 460 Continuums of Care (CoCs) each year receive funds to alleviate homelessness in their communities. The Administration has continued to support the Homeless Assistance Grants and the goal of ending chronic homelessness and moving families and individuals to permanent housing with increased annual funding requests. The budget for Homeless Assistance Grants in FY07 was $1.44 billion.

In 1994, HUD developed the Continuum of Care planning and grant making process, which calls for communities to develop local plans for reducing homelessness. It is a community-led effort that involves a diverse group of organizations, including state and local government, public housing agencies, non-profit providers, foundations, and homeless and formerly homeless persons. The Continuum identifies the community's housing and service needs, as well as the existing inventory to address those needs. The Continuum then assesses remaining needs and determines how to best address them, proposing an overall plan and specific project requests for HUD funding. Since 1994, the Continuum structure has proven to be effective as a coordinating body for fighting homelessness; among the reasons for the effectiveness are the broad-based partnerships forged at the local level.

There are three programs that are funded through the Continuum of Care approach: the Supportive Housing Program; Shelter Plus Care; and Section 8 Moderate Rehabilitation Single Room Occupancy Dwellings for Homeless Individuals, or SRO. Senators Reed and Allard have introduced a bill that would affirm the role of local planning entities, bring HUD's three competitive programs into one program, and provide for even more local decision-making authority and flexibility. I want to once again recognize the two Senators for their longstanding commitment to alleviating homelessness. I also want to acknowledge their hard work in developing this very worthwhile proposal. Their bill would greatly simplify how HUD's resources could be used to effectively and efficiently solve homelessness.

The Administration bill, which has been transmitted to Congress, is similar in many ways to the legislation introduced by Senators Reed and Allard. For example, both bills would decentralize the federal role in selection of applications for funding and speed up the award process. Currently, staff at HUD headquarters reviews nearly 6,000 individual project applications each year. This is one of the largest and most intensive grant competitions in the

federal government. It takes the Department nearly 6 months to review the applications; once selections are made, 3-6 additional months are needed to finalize the nearly 5,300 awarded contracts. Both bills would greatly simplify this process by allowing HUD to review only one overall application from each community and then having the communities award local projects for funding. Rather than taking up to a year to review and execute contracts, the proposals would reduce the timeframe to a few months. This would result in the timely obligation of funds and assistance to those who literally have no place to live.

The bills would also greatly simplify the match requirements. Currently, the largest of the three programs, the Supportive Housing Program, has, by statute, a 100 percent match requirement for capital costs such as acquisition and rehabilitation, a 25 percent match for operating costs, a 20 percent match for supportive services and no match requirement for leasing. Both bills would establish a single match requirement of 25 percent for all activities under the consolidated program.

HUD's Continuum of Care programs maintain a unique and comprehensive public-private partnership for ending homelessness. The programs work within broad national goals. We have established, through the Continuum approach, a resource-driven planning and allocation system with an emphasis on local decision-making processes. The Continuum also provides a focus on performance as a key element of local planning outcomes. The proposed consolidation starts with all of these strengths and expands on them, by decentralizing federal processes and moving community planning to the local level. This way, decision makers can more effectively work to solve homelessness in their communities.

Unique and Comprehensive Program

The Continuum of Care is a unique and comprehensive public-private partnership. It calls for all stakeholders within a community to be involved in shaping solutions to homelessness. They identify the needs, assess existing resources, and prioritize projects needing funding. State and local government officials, non-profit homeless providers including faith-based and other community organizations, foundations, businesses, hospitals, law enforcement, schools, and homeless and formerly homeless persons are all part of the Continuum of Care. Over 3,900 jurisdictions participate in the Continuum of Care process, representing over 95 percent of the U.S. population. The skills, abilities, and resources of each stakeholder are maximized and leveraged to make a visible difference within their community. Both bills would codify this approach, which was created by HUD through administrative means.

A significant enhancement in these bills would add prevention as an eligible funding activity. Prevention is a key part of solving homelessness and is an important element in both bills. The proposed legislation would allow projects to spend up to 15% of HUD funds on prevention activities, such as utility payments or rental assistance, for persons at risk of becoming homeless. This way, HUD can help keep people in their homes and prevent them from actually becoming homeless. Not only would this reduce additional, unnecessary costs on homeless systems, but it would improve continuity of housing for individuals and families, improving their ability to function as productive members of society.

In HUD's current competitive grant programs, applicants must explain and document their efforts to prevent homelessness. Both bills place greater emphasis on its importance by encouraging the Continuums of Care to fund homelessness prevention.

Targeting Most In-Need Populations

In addition to preventing homelessness for those at risk, HUD's homeless programs are addressing another portion of the population: the chronically homeless. These are the hardest-to-serve individuals; they have been in and out of homeless shelters and on the street for long periods of time. In 2002, the Administration set a goal of ending chronic homelessness for this population. Through the Continuum of Care grants, HUD funds have been working to effectively achieve this goal.

In fact, research shows that while representing just 10 to 20 percent of the homeless population, chronically homeless persons consume up to 50 percent of emergency shelter resources. Instead of having these individuals cycling through the various public systems such as hospitals and prisons and using these emergency resources, this Administration has focused on providing permanent housing as a way to improve cost effectiveness for the community and quality of life for the individual. $286 million, or 24 percent of HUD competitive homeless assistance funds, were awarded to projects targeting the chronically homeless in 2006.

While this Administration has not shied away from serving this difficult population, it has also not forgotten about the needs of homeless families with children. In fact, 76 percent of funds awarded this past year went to projects that targeted persons who were not chronically homeless, including homeless families. Approximately 50 percent of those served by HUD programs are persons in families.

A Results-Oriented System

The Continuum of Care approach is also a resource-driven planning and allocation system. Prior to the Continuum of Care, individual local projects independently applied in separate HUD competitions for a particular homeless assistance program. This previous approach did not promote local coordination or strategic planning. The Continuum of Care requires thoughtful, strategic planning across a community, including local government, so that the needs are identified and prioritized. The community can then choose appropriate options from a menu of existing HUD homeless resources.

Moreover, the Continuum of Care ensures that the community links its efforts to other plans and funding sources. For instance, Continuums are scored on whether they are part of HUD's resource-driven Consolidated Planning process. This helps ensure linkages and resources from other parts of HUD such as the Community Development Block Grant, HOME, the Emergency Shelter Grants and the Housing Opportunities for Persons With AIDS Program (HOPWA). The Continuum also encourages active linkages with existing jurisdictional 10-year plans to end chronic homelessness.

This consolidation bill would enhance the existing resource-driven system of the Continuum of Care by providing a modest amount for administrative costs, including strategic planning and monitoring. The bill would also provide a more efficient resource-driven system by consolidating and greatly simplifying the various homeless assistance programs into a single program.

A Performance-Based System

The Continuum of Care approach is performance based. The application contains a performance section that represents 30 percent of the score in the annual Continuum of Care competition. The core of this performance section is the Government Performance and Results Act (GPRA) indicators by which Congress assesses HUD for the area of homelessness. Our GPRA goal is to end chronic homelessness and help families and individuals move to permanent housing. The specific indicators with which we measure a community's progress in achieving this goal include: the percent of homeless clients who move to permanent housing; the percent of clients in permanent housing who remain stably housed; and the percent of homeless clients we serve who become employed. Creating permanent housing units has been another important aspect of achieving this goal. Finally, we measure the extent to which the congressional directive to implement and use a Homeless Management Information System is achieved in each community. By connecting HUD's performance with that of our grantees and ultimately homeless clients we are seeing success.

HUD's GPRA efforts have been touted by OMB as exemplary for other federal programs to emulate. HUD's Continuum of Care programs were recently rated the highest possible rating "Effective" when assessed by the Administration's Program Assessment Rating Tool (PART). That rating underscores the efficacy of the Continuum of Care approach.

Key Differences

While the two bills are similar in the overall design and a number of specific areas, there are also some differences between the bills. For example, the Administration bill:

- Provides for the use of 6 discrete selection criteria in order to better serve applicants and allow for more efficient application review;
- Keeps in place HUD's current definition of chronic homelessness;
- Increases efficiency in the award of competitive funds by consolidating existing programs into a single program and application without creating new programs;
- Continues to target disabled individuals and families for permanent housing activities; and
- Maintains the source of funding for permanent housing renewals as the Homeless Assistance Grants appropriation account, whereas S. 1518 provides for renewals from the Section 8 project-based rental assistance account. HUD believes the consolidated

homelessness grants program should remain a separate and distinct program serving a unique population.

Overall, consolidating the three Continuum of Care programs and codifying it in statute would allow far greater flexibility, which will enable improved performance and effectiveness of HUD's Homeless Assistance Grant programs. Thank you very much for inviting me to be here. I am looking forward to more discussions on this issue that is so critical to the future of our nation.

S.1518: COMMUNITY PARTNERSHIP TO END HOMELESSNESS ACT OF 2007

UNITED STATES SENATE
COMMITTEE ON BANKING, HOUSING AND URBAN AFFAIRS

THE HONORABLE CHRISTOPHER J. DODD, CHAIRMAN
THE HONORABLE RICHARD A. SHELBY, RANKING MEMBER

TESTIMONY OF ADRIAN M. FENTY
MAYOR
DISTRICT OF COLUMBIA

THURSDAY, JUNE 21, 2007

Chairman Dodd, Ranking Member Shelby, Senator Reed, my name is Adrian M. Fenty. I am the fifth elected Mayor of the District of Columbia. I am pleased to testify today in support of the Community Partnership to End Homelessness Act of 2007. Ending homelessness in the District of Columbia is a major priority of my administration.

I would like to briefly describe the District Government's efforts to end homelessness in the nation's capital, and then to explain why we support Senate Bill 1518.

Homelessness is a significant challenge for the District, as in many other major cities. The homeless population has decreased in our city, but the high cost of housing and the high rate of poverty in many of our neighborhoods are still major concerns.

According to 2007 data, on any given night we have more than 5,700 homeless residents, including 1,760 who are chronically homeless. This represents a 6.5% decrease from 2006. These 5,700 include residents in emergency shelters, transitional housing and on the street. We also have more than 18,000 people who identify as homeless on our housing choice voucher program waiting list - a waiting list that now numbers over 50,000.

The District continues to increase its stock of affordable housing, including permanent supportive housing, where 38% of our homeless population resides. This is an increase of 11% over last year and means that 3,582 formerly homeless people are now living in permanent housing.

We are thankful to the Department of Housing and Urban Development for its support of the District's Continuum of Care housing needs. We are just submitting our new application requesting more than 17 million dollars in funding for many important renewal projects and five new permanent housing programs. This application reflects the city's commitment to the objectives laid out in our Homeless No More Plan, implemented in 2004 with a goal of ending homelessness in 10 years.

We are also committed to a Housing First strategy that focuses on first getting a roof over one's head, and then providing the needed services to keep people in permanent housing. And we have created a new, locally-funded rent subsidy program to provide permanent housing to hundreds of homeless residents in the Nation's capitol.

Our efforts in the District are spearheaded by our local Interagency Council on Homelessness (ICH) for the purpose of facilitating interagency, cabinet-level leadership in planning, policymaking, program development and monitoring. The ICH also includes advocates, former or currently homeless individuals and providers.

The District Government supports the Community Partnership to End Homelessness Act of 2007. This bill is consistent with my administration's comprehensive housing strategy.

The Act makes several significant changes. It consolidates and simplifies current funding programs, Supportive Housing, Shelter Plus Care and Moderate Rehabilitation/SRO, into a single Community Homeless Assistance Program. It allows flexibility in funding prevention services and programs for the chronically homeless, including families and people with disabilities. It also increases accountability and rewards high performance – approaches my administration and I have begun to implement throughout the District government.

This Act has a significant focus on prevention, including separate funding for doubled up households – one of our highest indicators of being at risk of becoming homeless
The prevention focus is important and builds off of our successful Emergency Rental Assistance Program, begun in December 2006, which helps families that may become homeless because of a significant event in their life – loss of a job, emergency medical expenses. This program helps these families stay in their current living situations instead of becoming homeless. Since January, we have assisted almost 1,500 households with their rental payments --providing an average of $1,713 per household to keep them in their current living situation and not become homeless.

Mr. Chairman, I believe having a single homeless person is too many in the nation's capital of the world's most prosperous democracy. Having almost 6,000 homeless people is tragic. But I am fully confident that we can end this tragedy with the continued support of our federal government. I urge you to pass Senate Bill 1518 without delay.

This concludes my prepared remarks. I want to thank you for the opportunity to testify today, and I look forward to answering any questions.

Invited Testimony of the
Honorable Shirley Franklin
Mayor, City of Atlanta

Committee on Banking, Housing and Urban Affairs
United States Senate

Thursday, June 21, 2007
"Renewal of the McKinney-Vento Homeless Assistance Act"

Chairman Dodd, Ranking Member Shelby, Senator Reed and other members of the Committee,

I want to, first, commend you for holding this hearing on such an important topic and thank-you for allowing me to speak and provide written comments.

The reauthorization of the McKinney-Vento Act is critical to our continuing efforts, in Atlanta, to end chronic homelessness. This partnership between the Federal government and local communities has provided the primary source of funds, over $85 million since 1995, for our regional efforts toward identifying the need and filling the gaps in services for the homeless.

This funding has helped us develop and sustain permanent supportive housing units, transitional housing units and the wrap-around services that are so crucial to serving this population. And, HUD's Homeless Assistance grants, over $5,000,000 since 1995, also helps us develop and sustain emergency shelters (although we hope that someday this particular type of housing will no longer be needed).

In Atlanta, we approach the challenge of ending homelessness from both a humane mandate as well as a financially sound policy.

We all know that the chronic homeless who migrate through our public systems - from the streets to the public hospitals, non-profit agencies, the jails and back to the streets are very expensive. According to various studies from places as diverse as New York City, Portland, OR and New Hampshire (going back as far as 1987), each of these individuals can cost communities from $40,000 to $50,000, per year. We are in the midst of documenting this actual cost in Atlanta, but we know the number will be extremely high.

We also know we can more effectively serve those individuals by getting them into housing with appropriate services, for an annual cost of between $15,000 - $20,000, and can move many of them toward self-sufficiency. While serving these individuals better, we will also provide relief to our over-crowded public hospital and jails.

In Atlanta, we have taken this message to our own constituents and the business community. We have said this is what the Federal Government is doing, through HUD. And, we need to assist by doing our part.

The City of Atlanta issued $22,000,000 in Homeless Opportunity Bond funds to build and develop permanent supportive housing - with these funds, we are

developing over 500 new units. But, the matching Federal dollars are critical to making each of these projects work.

And, through our Regional Commission on Homelessness (comprised of government, corporate, faith and educational leaders from Atlanta and seven surrounding counties), we have developed our 10-year Plan to End Chronic Homelessness and we appealed to the business community to join our effort. The business and philanthropic community has responded with over $30,000,000 in additional funds for housing and services to be developed throughout our region. We could not have successfully appealed for these funds, if we did not have the Federal funds as leverage.

This re-authorization act both maintains the best parts of the original McKinney-Vento Act and contains new elements that will further enhance all our efforts. The following are recommendations we have, regarding specific elements of the re-authorizing legislation.

Permanent Supportive Housing Set-Asides

The City of Atlanta supports the proposal that applies the 30% funding set-aside for permanent supportive housing at the national level rather than the local level. Application of the set-aside requirement at the local level would be very disruptive of existing homeless programs for many Continua.

Permanent Supportive Housing Renewals

The City of Atlanta supports the proposed five-year renewal for permanent supportive housing. An extended renewal period for this housing supply will provide more operational stability for local projects and will lessen the burden of repetitive application processing at both the local and national levels.

Definition of Homelessness

The City of Atlanta supports the continuation of the current definition of homelessness. Many homeless advocates have encouraged a broader definition that would include persons at risk (such as those living in extended-stay motels) and persons living "doubled up" with family or friends. We believe such a broadening in the definition is unworkable, given the insurmountable difficulties in accurately measuring or documenting this group. Additionally, many of the persons in this group are not at risk of homelessness, but merely in a period of transition between jobs, housing settings, or geographic areas.

Support for Homeless Prevention Services

The City does believe, however, that greater support is urgently needed for persons truly at risk of homelessness. We encourage the Committee to implement increased funding for homeless prevention, and reduce the regulatory restrictions on this service, to improve the ability of local jurisdictions to respond to the growing needs of at-risk populations.

In this regard, we support continuing the eligibility of homeless prevention under the Emergency Shelter Grant program. And, we support the inclusion, as a new eligible service, of relocation assistance for persons being discharged from public systems.

Client Eligibility for Permanent Supportive Housing

The City of Atlanta does not support expanding eligibility for permanent supportive housing. We believe that providing permanent housing for any homeless person regardless of disability is too broad. Non-disabled homeless persons should be assisted through existing affordable housing programs, not from the limited homeless funds under the McKinney Vento Act.

Eligibility of Supportive Services

The City of Atlanta supports this bill's treatment of eligible supportive services.

Local Continuum of Care (CoC) Boards

The City of Atlanta supports the provisions for local CoC boards, which allows a local government to be the lead entity and does not require a separate outside board, but does permit such a board if desired. Local situations vary significantly from jurisdiction to jurisdiction and we believe that the national legislation should provide the flexibility needed to accommodate these variations.

Cash Match Requirements

The City of Atlanta is pleased to see that this bill reduces the required cash match to 25% for all project types.

Administrative Funding

The City of Atlanta strongly supports the provision of separate administrative funds for the local CoC boards and the funded projects. The current provision of only one 5% set-aside has sometimes created regrettable conflict between local governing CoC bodies and the non-profit project sponsors over division of funds.

Administrative Funding

The City of Atlanta requests that Congress remove the cap, under the Emergency Shelter Grant program, on funding of staff salaries in sheltering projects. This is a very burdensome requirement, which has been difficult to meet at the local level, and we cannot see any justification for treating project staff-related operational costs differently than non-staff-related operational costs like rent or utility bills.

Additionally, this re-authorizing legislation does the following:

- It creates separate funding for projects that focus on the economic reasons for homelessness and prevention - this will help, tremendously, with our efforts to quickly re-house women and children who have lost their homes or apartments due to a temporary economic loss.

- And, by more quickly helping those who are newly and temporarily homeless, we can focus additional resources on the more difficult-to-serve chronically homeless.
- The funding for the ongoing renewal projects will be separated, so that we can add funding for much needed new projects without jeopardizing the well-run existing projects.
- It decreases the time period for the review process and technical submissions, after a program has been approved, so that actual projects can be ready to go within about a year (as opposed to sometimes 2-3 years).

Finally, I would like to acknowledge the tremendous effort of the Interagency Council on Homelessness, which would be continued under this re-authorizing legislation. The Interagency Council has provided tremendous leadership and guidance to local communities who, like Atlanta, have developed their own tailored 10-year Plans to End Homelessness.

Mr. Chairman, and members of the committee, I thank you, again, for this opportunity to provide comments on this very important topic and this critical legislative action.

As you can assuredly see, all of us who have submitted comments are very passionate about this topic. That's because we, and thousands of other local leaders across this country, see the devastation of homelessness every day - in

our communities. But, we also know that it is through this partnership we have with you, that we are making progress.

Testimony of Lloyd S. Pendleton
Director, Homeless Task Force
Department of Community and Culture
Division of Housing and Community Development
State of Utah

Before the
Senate Banking, Housing, and Urban Affairs Committee
June 21, 2007

The Community Partnership to End Homeless Act
S. 1518

Good morning. My name is Lloyd S. Pendleton and I am the Director of the Homeless Task Force for the State of Utah. I would like to thank Chairman Christopher J. Dodd, Ranking Member Senator Richard Shelby, and Senator Jack Reed for this hearing. I am honored to comment on the Community Partnership to End Homeless Act (S. 1518). I am also grateful for the support of our Utah senators, Senator Robert Bennett, a member of this committee, and Senator Orrin G. Hatch.

During the last five years, the approach to serving persons in homelessness has shifted dramatically. This is due in large part to the efforts of the Senate and Congress and those in the administration who have worked diligently to: 1) implement the ten-year planning process to end chronic homelessness; 2) establish and further refine a Homeless Management Information System; and 3) provide increased funding during times when

resources have had so many demands. We acknowledge Mr. Philip Mangano, Executive Director of the United States Interagency Council on Homelessness and his staff, in championing the ten-year planning process and the "Housing First" model. We also appreciate the efforts of Nan Roman, Executive Director, of the National Alliance to End Homelessness, and her staff for their support. The federal funding, materials and training provided by these individuals, and others, have been invaluable in expanding and focusing our efforts in Utah to end chronic homelessness and reduce overall homelessness.

Support for our homeless efforts has been exceptional from our Governor, Jon M. Huntsman, and Lieutenant Governor, Gary R. Herbert. There are many others in Utah that have played an important role in this effort, including members of the State Homeless Coordinating Committee (Interagency Council); Pamela Atkinson, a local advocate for the homeless; Jack Gallivan, founder of the Crusade for the Homeless who is providing seed money for homeless housing; Utah Housing Corporation which has been supportive with tax credits; and the staff of many agencies serving the homeless.

I am not a professional homeless service provider. My background is from the business world and in the development of a worldwide humanitarian service system for a faith organization. I have also served as a

volunteer the last 16 years on boards and committees of organizations that provide services to the homeless and low-income populations. Three years ago, Utah's governor approached my employer, The Church of Jesus Christ of Latter-day Saints, requesting that I be loaned to the state to develop and implement a ten-year plan to end chronic homelessness. Our team successfully completed the Ten-Year Plan, which was approved by the State Homeless Coordinating Committee March 2005. I have since retired from employment at the LDS Church and now work for the state to continue implementing the Ten-Year Plan.

I understand many bills are discussed in this committee and I suspect you wonder how much good is accomplished through your efforts. Because of your direction, the McKinney-Vento funding, and the ten-year planning emphasis, great strides have been made in Utah the last three years, and other states, on tackling the difficult problem of homelessness. I will share several new initiatives that have resulted:

- **Policy Level Interagency Council Restructured** -- The State Homeless Coordinating Committee, created in 1988, was restructured with the Lt. Governor as chair. Selected members of the Governor's cabinet and other policy level decisions

makers were added as members allowing for broader policy coordination.

- **Sub-Committees Created** – Four new committees with statewide responsibilities were created to focus on: 1) improving discharge planning; 2) increasing affordable housing; 3) increasing and improving supportive services; and 4) implementing a statewide Homeless Management Information System.
- **Local Homeless Coordinating Committees Organized** – Twelve Local Homeless Coordinating Committees have been organized across the state and are functioning with a locally elected political leader as chair of each committee. All organizations in each region impacted by homelessness are invited to participate on the committee. Each Local Homeless Coordinating Committee has prepared, or is preparing, a Ten-Year Plan that is aligned with the state's Ten-Year Plan and implements programs that meet local needs.
- **"Housing First" Model Implemented** – In August 2005, the "Housing First" Model was introduced in Utah with the placement of 17 chronically homeless individuals into housing

who had an average of 25 years on the street. Nationally, 85% of the chronically homeless persons placed in permanent supportive housing were housed 12 months later. In our pilot, with the exception of one who died earlier this year, all are still in housing 21 months later. This pilot provided the experience and confidence to implement larger "Housing First" projects. I will briefly share the experience of "Donald" who was one of the 17 that had lived on the streets of Salt Lake City for many years. On the first night in housing he put his belongings on the bed and slept on the floor. The next several nights Donald slept out by a dumpster. It took several days for Donald to finally move in and sleep on the bed. With intensive supportive services, he is now permanently housed and is doing well.

- **Pilots Implemented** – Each Local Homeless Coordinating Committee has implemented, or is implementing, a pilot project using state funds, focusing on results oriented solutions for the chronically homeless and/or those that are "chronic consumers" of resources.
- **Rural Pilots** – In the past, limited efforts have been undertaken by political leaders in our rural areas to address the needs of the

homeless because homeless individuals have not been visible to them. Through discussions in the Local Homeless Coordinating Committees, homeless issues have been and are being identified and pilots implemented. For example, in the Four-Corners area of our state (Blanding) improvements are being taken to a group of Native Americans living in substandard structures. In Northern Utah (Logan), domestic violence victims are moving into permanent housing with services; and in Central Utah (Price) the remodeling of an old hotel to house chronically homeless individuals is in process.

- **Homeless Management Information System Implemented** -- All homeless service agencies in the state, except domestic violence shelters, use the same Homeless Management Information System. Regular management reports are being developed and provided to each Local Homeless Coordinating Committee and the State Homeless Coordinating Committee for use in tracking results.
- **Self Sufficiency Assessment Implemented** – Case managers assess the self-sufficiency capacity of their clients and track their progress toward increased self-sufficiency as part of the

statewide Homeless Management Information System using a self-sufficiency matrix developed in Arizona.

- **Housing for Chronic Homeless** – McKinney-Vento funding along with state and local resources has built a housing project of 100 units for the chronically homeless, Sunrise Metro, which opened March 2007. Another complex with 84 units, Grace Mary Manor, will open March 2008. In addition, a hotel in Salt Lake City will be purchased and renovated, creating 213 permanent supportive housing units for the homeless in late 2008. Additional projects are being developed across the state to house those that are homeless.
- **Reentry Pilot in Salt Lake County** – As part of the ten-year homeless effort, Salt Lake County has invested $300,000 of their HOME Funds and $250,000 of their general funds to provide a Housing Assistance Rental Program (HARP) for persons leaving incarceration and/or those with substance abuse, and mental health issues. HARP began in January 2006, and initial results show a reduction in the recidivism rate as persons now have stable housing with supportive services. As part of this program, the state's Department of Workforce

Services is working with those in housing to obtain training and jobs. Eighteen Americorps workers are assisting with this pilot population. The University of Utah is studying this project to provide documentation on the effectiveness of this supportive housing in reducing overall community costs.

- **Accessing Mainstream Resources** – Utah participated in the SSI/SSDI Outreach, Access and Recovery (SOAR) Training on how to more effectively help the homeless access SSI/SSDI. In a current pilot, we have reduced the decision time from almost two years to 3.2 months.

HUD McKinney-Vento Programs are effective and useful. The programs mentioned above, and others, have created a momentum and excitement within Utah about our ability to realize the goal of ending chronic homelessness and reducing overall homelessness. **Much of what we have accomplished is from more effectively reinvesting existing resources to achieve the desired outcomes. Continuing to build the momentum for ending chronic homelessness, however, will depend upon additional funding and the continued collaborative efforts among the federal government, state and local governments, non-profit and faith-based service providers, foundations, and**

businesses. This is a society-wide problem that requires the cooperative participation of all of these organizations.

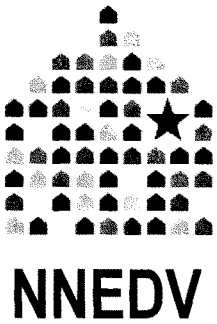
The proposed Community Partnership to End Homeless Act (S.1518) addresses much of what has been learned the last 20 years, and incorporates many improvements necessary to accomplish ending chronic homelessness and to significantly reduce overall homelessness. In our review of Senate Bill 1518, we support:

- **Continuing the Ten-Year Planning Process** – It creates a focused effort with a timeline.
- **Continuing of the U.S. Interagency Council on Homelessness** – It plays an indispensable role in coordinating the federal role and building strong collaborations between the federal and other government levels.
- **Consolidating HUD's Continuum of Care Programs** – This will allow more flexibility for implementing locally developed homeless plans.
- **Creation of Collaborative Applicants** -- This allows more flexibility with local responsibility for monitoring program outcomes.
- **Adding Families to the Chronic Homeless Definition** – Our local organizations have worked with increasing numbers of chronically

homeless families the past few years and adding families to HUD's homeless definition will be beneficial.

- **Addition of Incentives for Rapid Re-Housing of Families** – Families are a growing segment of our homeless population and need additional support to reduce their length of stay in shelters.
- **Addition of Homeless Prevention and Re-Housing those Doubled Up** – These programs can assist in building a safety net up the "river of homelessness" reducing the number that might fall into the river.
- **Increased Accountability and Performance** – This is crucial to increase the effectiveness of the investment in homeless programs. Providing an opportunity for high performing communities to utilize funds creatively will encourage innovation.
- **Increased Flexibility/Competitiveness of Grantees in Rural Areas** – This increased flexibility and opportunity to compete will significantly benefit Utah's eight Local Homeless Coordinating Committees covering Utah's rural areas. These eight are part of the Balance of State Continuum of Care. Three significant issues for Utah's rural areas are: the number of doubled up families, the need for affordable housing, and the need for more resources that prevent homelessness.

In conclusion, we in Utah support the proposed changes in the Community Partnership to End Homeless Act (S. 1518). I am proud of what we have accomplished. These accomplishments have come from the efforts of many caring and committed people in Utah. I am convinced if there is any state that can end chronic homelessness and reduce overall homelessness, it is Utah. Our target date to accomplish this is 2014.



The Testimony of

Ms. Carol Gundlach

Executive Director of
The Alabama Coalition Against Domestic Violence

Member of the Board of Directors of
The National Network to End Domestic Violence

Before the Committee on
Banking, Housing and Urban Affairs

United States Senate

Working Towards Ending Homelessness:
Reauthorization of the McKinney-Vento Homeless Assistance Act

June 21, 2007

Introduction

Chairman Dodd, Senator Reed, Ranking Member Shelby, Housing Subcommittee Chairman Schumer, Housing Subcommittee Ranking Member Crapo, and distinguished members of the Committee, my name is Carol Gundlach and I thank you for the opportunity to appear before the Committee to address the Committee's concerns about homelessness in this country and the reauthorization of the McKinney-Vento Homeless Assistance Act. As an advocate for victims of domestic violence, I am honored to address Senators with such an outstanding record of work on behalf of victims and their families. Chairman Dodd has long been a leader on domestic violence, championing the Family Violence Prevention and Services Act and the Child Abuse Prevention and Treatment Act. Senator Reed addressed the housing needs of victims of domestic violence in the Violence Against Women Act (VAWA), and has long been an advocate to keep guns out of the hands of batterers. Ranking Member Shelby has been a great friend to survivors of domestic violence in Alabama, and in his role on the Appropriations Committee has fought for the needs of the most vulnerable, particularly children. Chairman Schumer has been a long-standing ally of victims of domestic and sexual violence and Ranking Member Crapo has championed the issue of dating violence and led efforts to increase VAWA funding. The Committee is taking remarkable leadership by seriously considering the complex issues that cause homelessness and the best strategies for ending it. It means so much to victims of domestic violence and sexual assault that you are carefully considering all aspects of homelessness in the reauthorization of the McKinney-Vento Homeless Assistance Act.

I speak this morning on behalf of two organizations, both the Alabama Coalition Against Domestic Violence and the National Network to End Domestic Violence. The Alabama Coalition Against Domestic Violence (ACADV) is a nonprofit organization dedicated to working toward a peaceful society where domestic violence no longer exists. The Coalition was organized in 1978 as a network of shelters for battered women and their children, and organizations and individuals concerned about the issue of

domestic violence. The ACADV serves domestic violence victims throughout the state through its 19-member shelter programs and 24-hour crisis line for domestic violence. The National Network to End Domestic Violence (NNEDV) is a social change organization representing the 53 state domestic violence coalitions, including ACADV. Founded in 1995, NNEDV is dedicated to creating a social, political, and economic environment in which violence against women no longer exists. NNEDV's membership of domestic violence coalitions represents over 3,000 domestic violence service providers across the country, as well as the 1.5 million women who are victims of domestic violence every year.[1]

Domestic Violence is a Primary Cause of Homelessness

The interrelated nature of domestic violence and homelessness is undeniable: 92% of homeless women have experienced severe physical or sexual abuse at some point in their lives, and 63% have been victims of intimate partner violence as adults.[2] This is not because homeless women are more likely to be victims of domestic violence, but rather because experiencing domestic violence or sexual assault often forces women and children into homelessness. One study found that 38% of all victims of domestic violence become homeless at some point in their lives,[3] while another found that 50% of all homeless women and children are so because of domestic violence.[4]

Victims of domestic violence struggle to find permanent housing after fleeing abusive relationships. Many have left in the middle of the night with nothing but the clothes on their backs, and now must entirely rebuild their lives. As long-term housing options become scarcer, battered women are staying longer in emergency domestic violence shelters. As a result, shelters are frequently full and must turn families away. This can cause disastrous and deadly consequences: in 2005, 29% of the requests for shelter by homeless families went unmet due to the lack of emergency shelter beds available.[5] The National Census of Domestic Violence Services found that in one 24-hour period 1,740 requests for emergency shelter and 1,422 requests for transitional housing went unmet due to lack of resources.[6]

Nationwide, the number of families in need of housing is greater than ever: requests for emergency shelter by homeless families with children increased in 56% of U.S. cities surveyed in 2005, with 87% of cities reporting an increase in the number of children in emergency shelter.[7] Because of this lack of resources and increase in needs, victims of domestic violence often must return to their abusers or be forced into homelessness.[8]

Children and youth who flee violent homes with their abused parent, and become homeless as a result, face many barriers. In addition, many young people become homeless to escape abuse in the home, particularly sexual abuse, and find few resources once they have left. These children and young people who flee violent homes are at heightened risk for emotional and behavioral problems.[9] They are more likely than their peers to experience or to participate in emotional or physical abuse themselves.[10] These effects can have a pronounced impact on children's performance in school, including their ability to learn and their concentration levels.[11]

Because so many women and children become homeless as a result of domestic violence, it is impossible to separate the two issues into distinct categories. To advocate for victims of domestic violence, we must advocate for all homeless individuals and families. If we do not address domestic violence, children will continue to grow up in fear and poverty, likely to repeat the cycles of homelessness.

A recent tragic story illustrates this point. In Boston, Massachusetts this winter, a woman fled from her abuser. The domestic violence shelters were full. We do not know if local homeless shelters were full or if the woman didn't consider them a viable option. Regardless, she apparently had no where else to go, and she was living on the street. Two weeks after she had left her abuser, she was found frozen to death. It had been the coldest night of the year. In conducting the state's domestic violence fatality review, a local police officer recounted the story. Should he count her death as due to domestic violence or homelessness, he wondered? But we know such questions are irrelevant – as long as domestic violence

exists, women and children will be forced to flee their unsafe homes and will desperately need shelter, housing and services. All homeless people are equally deserving of resources to prevent them from dying in the streets.

McKinney-Vento Funding for Domestic Violence Programs in Recent Years

The McKinney-Vento Homeless Assistance Act has provided significant funding for domestic violence shelters, transitional housing programs, and services. According to US Department of Housing and Urban Development (HUD) Secretary Alphonso Jackson, in the 2005 Continuum of Care Homeless Assistance Program competition, 663 projects that identified domestic violence victims as the primary target population to be served were awarded nearly $118 million to provide housing and services for this vulnerable group. An additional 2,934 projects anticipated providing housing and services to victims of domestic violence, even though this group was not the primary target population for the projects. Indeed, domestic violence service providers rely on McKinney-Vento funds to provide transitional housing and emergency shelter to victims of domestic violence. McKinney-Vento is often the primary source of funding for transitional housing, which is a particularly critical service for victims of domestic violence who need assistance rebuilding their lives and securing permanent housing.

Impact of Current HUD Practices

Unfortunately, HUD's practice in recent years has caused a range of problems for victims of domestic violence and their children. Due to HUD's chronic homeless initiative and prioritization of permanent supportive housing for single individuals with disabilities, local domestic violence programs in at least 23 states have lost funding or are being told they will lose funding in the future. Additional programs have lost funding as a result of confusion about implementation of the Homeless Management and Information System (HMIS).

Specific issues noted by state domestic violence coalitions and local service providers include HUD shifting dollars from services to capital costs, priority within the Continuum of Care being giving to programs serving primarily (or exclusively) chronically homeless individuals, the Continuum of Care losing overall funding because it had not sufficiently prioritized chronic homelessness, and pressure to convert domestic violence programs into programs for chronically homeless individuals. This year, NNEDV saw a dramatic increase in calls for assistance on this issue, and expects the situation to worsen significantly next year as 10 Year Plans to End Chronic Homelessness are implemented across the country. As Turning Lives Around in Hazelton, New Jersey reported, "We have been told that chronic homelessness or permanent housing are HUD's priority and as a result are very concerned that we may lose funding in the near future."

Additional programs reported being threatened with losing funds if they did not provide identifying details to HMIS – despite statutory language prohibiting DV programs from providing such details. For instance, The Self-Help Center in Wyoming was told they would not get funding unless they participated in HMIS, which in their Continuum of Care includes submitting social security numbers for all individuals receiving services. This practice exposes domestic violence victims who seek services through HUD-funded shelters to incredible danger when they are most in need of safety.

It should also be noted that NNEDV has surveyed only domestic violence programs on this issue. We know, however, that victims often rely on homeless and transitional services from broader programs serving all homeless women and families. It is our understanding that in general, those programs have fared worse. Domestic violence programs often have more financial support from the community than homeless shelters. As a result those emergency and transitional services that helped families, but not exclusively victims of domestic violence, have experienced more severe cuts over the last few years.

States reporting funding problems include Alabama, California, Connecticut, Florida, Idaho, Illinois, Maryland, Massachusetts, Michigan, Missouri, New Hampshire, New Jersey, New York, North Carolina,

Ohio, Pennsylvania, Rhode Island, South Dakota, Texas, Vermont, Washington, Wisconsin, and Wyoming. Below are quotes from a few local programs:

Alabama:

> *"The domestic violence program in Montgomery, Alabama, does receive Emergency Shelter Grants (ESG) and Supportive Housing Program (SHP) funds. With so much money being diverted to chronically homeless we are getting squeezed to the bottom of the priority list because we provide transitional housing and our domestic violence population does not meet the definition for chronically homeless. It has not been a problem yet because the SHP guidelines have contained a "Hold Harmless" clause. Should this change and communities truly be held to pro rata share we will probably lose our funding, which is about $350,000 per year for SHP. Bottom line, we are very popular in our local continuum, but when the applications get to Washington, how our locals prioritize us can mean the difference in whether any projects in our community get funding." (Family Sunshine Center)*

Missouri:

> *"Lafayette House in Joplin, Missouri, has seen HUD make a radical shift away from funding shelters for victims of domestic violence. Our shelter has been receiving HUD funding for over 20 years...over the past five or six years the funds available have been decreasing. In fact in 2005 (calendar year, 2004 funding year), our HUD Continuum of Care dollars were cut in half."*

New Jersey:

> *"We [have been] a recipient of HUD funding (approximately $196,000 per year) to support our Transitional Living Program for the past 4-5 years....This year and last year, our*

program has dropped in priority within the Continuum of Care – part of the justification for the drop has been that the group has heard that the County is in jeopardy of losing HUD funding for domestic violence and/or Transitional Programs in the future. Several reasons for that have been used over time. They include items like: HUD's full focus is shifting only to the chronic homeless, which does not typically apply to domestic violence victims; and HUD's priority is new housing and permanent supportive housing ... and not Transitional Housing." (Jersey Battered Women's Service)

New York:

"Our agency has lost funding from two different sources that served domestic violence victims. We lost McKinney-Vento funding in 2003 and ESG funding from the New York State Office of Temporary and Disability Assistance for this upcoming year. So we have lost around $135,000 in grant funds.... Indeed all technical assistance personnel through either state housing coalitions or HUD clearly state that to strengthen our Continuum of Care the focus needs to be on the chronically homeless population. It is blatantly true – we are afraid of losing funds if we do not prioritize chronic homelessness and permanent housing for individuals with disabilities. So, we have felt the impact and closed our transitional housing program for victims in 2003 and this year lost our ESG funding as well.... Allegany County is rural with limited substandard housing and our loss of funding has impacted victims significantly." (ACCORD Corporation)

Ohio:

"The focus in Toledo is on Permanent Supportive Housing. Safety issues for victims of domestic violence are not being considered. [Victims of.domestic violence are at greatest risk from harm when leaving an abusive relationship, so if they have nowhere safe to go,

they are in grave danger.] Of the 15 women murdered in domestic violence incidents from 2006 to now, 13 women were killed as they attempted to end the abusive relationship." (Bethany House)

Rhode Island:

All 6 of Rhode Island's local domestic violence programs have lost some funding from the small emergency Shelter Grants that they had received in the past. One transitional housing program lost funding.

Pennsylvania:

"Domestic Violence Service Center [in Wilkes-Barre] is a link in the community's Continuum of Care and the Bridge Housing Program (transitional housing) is part of the county's Homeless Assistance Programs. Our county's Continuum of Care is supportive of our [See Yourself Succeed Project], but it was only resubmitted for a one year renewal. We were told that it probably will not be renewed again because HUD has shifted from supportive services to permanent housing."

Next Steps: Recommendations for the Community Partnership to End Homelessness Act

As the Senate moves forward in reauthorizing the McKinney-Vento Homeless Assistance Act, domestic violence service providers would support a bill that returns control to local communities and works for homeless families. Such a bill would expand the definition of homelessness, reduce bonus points and set-asides, have a more balanced way of distributing funds to rural areas, be more flexible in allowable activities, include broader participation in Continuums of Care, and protect the privacy of victims of domestic violence and other homeless individuals.

The Community Partnership to End Homelessness Act (CPEHA), S. 1518, takes great strides beyond current HUD practice to resolve these issues. We thank Senator Reed and Senator Allard for their

work on this legislation. NNEDV and ACADV greatly appreciate the receptiveness of Committee staff to meeting the needs of victims of domestic violence, and look forward to working with the Banking Committee to address the following concerns.

Cookie-Cutter Approaches Don't Work for Communities

HUD's policies imply a "one size fits all" solution to homelessness with little space for Continuums of Care to assess local needs or choose responses that maximize the resources of their communities. However, communities across the United States are diverse beyond simply urban, rural and suburban. Rural Wyoming and rural Alabama differ greatly, for instance, just as New York City faces different realities than Miami. Climate, culture, local infrastructure, state and city government, transportation systems, unemployment rates, immigration, and many other factors affect how people become and remain homeless. The responses to ending homelessness in those communities must be just as diverse. In some areas, a strong interfaith network may provide emergency shelter to youth, while in other communities, the only option for homeless teens is "couch surfing" from place to place or living on the street. Those two communities might prioritize their HUD funding differently, with the latter opting to help break the cycle of homelessness by providing services and housing to homeless youth.

Control Should be Returned to Local Communities

Local service providers who are on the ground, in communities, are best equipped to analyze the needs of homeless individuals and develop effective responses. Currently, HUD sets aside at least 30% of funds for permanent housing for single adults with disabilities, and awards points to Continuum of Care applications based on HUD priorities such as serving chronically homeless individuals. When Continuums of Care pick other priorities, they frequently lose some or all of their funding. Decisions made from "inside the beltway" in Washington, DC are rarely as informed as those made by on-the-ground practitioners who are experts in the dynamics of local homelessness. Reauthorization of McKinney-Vento must return the

decision-making power to local communities who know which populations are most in need and know which interventions are most effective for their communities.

Challenges in Alabama

The difficulty in addressing homelessness within Alabama provides a window into the complexities faced by local jurisdictions. In Alabama, we face "invisible homelessness." Though families and individuals in Alabama may be less present on the streets or in front of local businesses, their needs are just as real.

We see little, if any, chronic homelessness in rural or even small towns in Alabama. This is not to say that there are not people who are at risk of chronic homelessness but that, because people with disabling conditions are usually from the local community, they are often doubled up with friends or family or sleeping from house to house. This causes another significant set of issues, jeopardizing the health and safety of the disabled individual, and placing the families who house them at risk for eviction and homelessness themselves. This doubling up particularly endangers youth who may stay with a sexual predator or abusive adult rather than live on the street. With only one street-level youth shelter in the entire state, they have few other choices.

We also see a lot of families who are doubled up in very marginal housing conditions. Manufactured housing is a major source of housing for the poor and, without any zoning or housing codes, it's common to see two or even three nuclear families sharing an old and dilapidated mobile home. Living conditions in these mobile homes are often dangerous and deplorable. Alabama needs permanent and transitional housing for those who may not be "homeless" by HUD definition, but who are inadequately and marginally housed, and may need mental health, domestic violence, substance abuse and other services.

In rural areas, even people who don't have homes often have automobiles. Many families live in their cars and are more transient than your traditional "street homeless." They are more difficult to count or serve, since they may cross county lines as they move around. Conversely, the lack of public

transportation is a huge problem in rural counties. Alabamans are nearly totally dependent on personal cars, and those without cars are either unable to access services or dependent on family or friends who normally charge much more than a public system would for transportation. A victim of domestic violence who has just fled her abuser and does not have access to a car may be trapped – unable to take children to school, to get to work, or to go to court and find other needed assistance.

There is very little new permanent housing in most of rural Alabama, especially affordable new housing. Our shelters in rural counties struggle to find housing for women who are ready to leave shelter. The reality is that even though ACADV has funds to help victims pay their deposits, there is too little housing stock available to accommodate these women exiting shelter. Funds to develop affordable housing, with or without supportive care, are desperately needed; yet it is difficult to demonstrate the need since most of our "rural" homeless are technically housed with relatives or friends.

It has also been a real challenge to conduct a point-in-time count in rural counties across the state. The emphasis on a street count doesn't make a lot of sense in rural communities where there aren't many streets. Instead, there are long stretches of land across hundreds of miles where our volunteers run the risk of being shot if they wander through people's fields looking for homeless individuals sleeping in barns and sheds. Despite this risk, ACADV does send volunteers to look for visibly homeless individuals, but we also know that this is not an effective means of documenting homelessness in rural America.

Until about four years ago, we only had Continuums of Care in our larger cities -- Huntsville, Florence, Birmingham, Montgomery, Mobile, and Tuscaloosa. There had been several attempts to develop Continuums in some of our smaller cities -- Anniston, Dothan, Opelika -- but a lack of resources kept those from getting off the ground. It can be extremely difficult for rural areas to compete for funding when they are starting from a place with so many fewer resources than urban areas. Even individuals with basic grant-writing skills may be absent. To address this, ACADV took the lead in organizing a Balance of State

Continuum (called ARCH) that incorporated most of the rural areas and small towns. In order to do this, we developed local homeless task forces that sent representatives to ARCH. ARCH has submitted four applications to HUD, none of which have been funded, except a $128,000 grant to develop an HMIS. So we're in the peculiar position of developing a HMIS system for a geographic region with no Homeless Assistance grantees. It is surprising that HUD would choose to fund a tracking system rather than meet the immediate needs of homeless individuals for shelter and services.

There are several reasons ARCH has not received funding from HUD. First, the distribution formula favors Community Development Block Grant entitlement areas, few of which are represented in ARCH. Second, there are very few local agencies with the capacity to develop shelters, let alone permanent housing, in the rural communities and small cities involved in ARCH. Services available for homeless individuals in most of Alabama are primarily mental health and domestic violence, and the only shelter services are domestic violence shelters. This is common in rural areas across the country.

Alabama, along with many other rural states, receives less funding per capita than do states with more urban areas. The pro-rata share is determined by formula – the same formula used to determine Community Development Block Grants – that heavily favors urban states and is not based on the need for homeless shelter and services. For example, in FY 2004, Alabama received $2.66 per person in McKinney-Vento funding. Wyoming received $.79 per person while Massachusetts received $9.09. When the FY 2004 funding awards are compared to other possible measures of need, such as the number of persons living in poverty or the number of families facing severe housing cost burdens, the distribution to states remains just as unbalanced. CPEHA amends McKinney-Vento's unfunded rural grant program to ease the application process and expand the use of funds, but the funds available are only what is left over within this pro-rata share that already makes little funding available to rural states.

The feedback from Alabama domestic violence programs that do get HUD money (Montgomery, Huntsville, Florence) is that they are seeing their grants reduced and are very concerned that their existing transitional housing programs will be de-funded because they don't primarily serve the chronically homeless.

Alabama needs homeless shelters, particularly for families, in our medium-sized cities – areas that could provide local support for a shelter and that do have the capacity to develop them. The reduction of the match for acquisition/construction could make a big difference here -- the 100% required match has been a real barrier. While some capacity issues remain, with only a little technical assistance and support for local agencies, homeless services could be created in Tuscaloosa, Opelika, Dothan and a number of other cities that currently lack any homeless shelters. CPEHA lowers the match requirement to 25% and allows in-kind contributions to count toward match. This would be a tremendous improvement over current HUD practice.

We need additional domestic violence shelters in the southwest, east central (along the Georgia line), and "Wiregrass" (Southeast) areas of the state. These areas lack homeless services and shelters. Local capacity and resources to develop programs are very limited for the same reasons that homelessness exists in these areas: poverty and isolation. Chronic homelessness isn't the problem in these areas; instead, it is the invisible homeless population as described above.

Supportive services are also needed in Alabama. Most of our Mental Health agencies are very stretched in rural areas; our HIV/AIDS programs and domestic violence shelters each serve as many as 12 counties, food banks and Community Action Agencies must also serve multiple counties, and soup kitchens are unheard of in rural counties. Shelter Plus Care and Permanent Supportive Housing aren't possible when the care providers are at capacity and when shelter requires both large sums of local money and strong organizational capacity to build and manage a residential facility. CPEHA proposes removing from

ESG the cap on prevention services and staffing. This would be extremely helpful in ensuring that homeless individuals get the resources they need.

Alabama needs prevention funding, so that we can quickly find housing for people, and prevent evictions and other housing loss. CPEHA makes an excellent first step in creating a homelessness prevention program. However, the criteria for this program are extremely restrictive. To qualify, individuals must be 20% below the area median income, be in a dire housing situation that should more realistically be considered homeless than unstably housed, and lack the resources to attain housing stability. This would likely exclude many victims of domestic violence who are trapped between an abusive home and the street, as well as other groups who are likely to become homeless such as children aging out of the foster care system and prisoners reentering their communities.

And mostly, we need local flexibility to identify local needs and priorities, and to seek funds to address those needs. Obviously the needs and goals have to be justified, but we could do that if we weren't locked into a definition of "homeless" that doesn't reflect rural or small community culture and reality.

From ACADV's experience on the ground in Alabama and the input NNEDV has received from state domestic violence coalitions across the country, we know there are three aspects of current HUD practice that must be changed to address domestic violence and reduce homelessness for all people: the definition of homelessness should be expanded; set-asides and bonus points should be reduced; and the confidentiality and privacy of victims of domestic violence and other homeless individuals should be protected.

The Definition of Homelessness Should be Expanded

HUD employs a more narrow definition of homelessness than do the Department of Justice (DOJ), the Department of Health and Human Services (HHS) and the Department of Education (ED). CPEHA

does not expand this definition. Groups such as the National AIDS Housing Coalition have proposed compromise language for an expanded definition that deserves serious consideration. A broader definition such as one used by DOJ, HHS or ED more accurately reflects homelessness in Alabama and is more inclusive of victims of domestic violence and of rural areas across the country. The definition of homelessness used by HUD is limited to people living on the streets or in shelters; it excludes people living in doubled-up situations and those in motels. The definitions of homelessness used by DOJ, HHS and ED are broader, and specifically include individuals or children and youth who are "sharing the housing of others *due to loss of housing, economic hardship, or a similar reason.*" In addition, individuals or children and youth who "are living in motels, hotels, trailer parks, or camping grounds *due to the lack of alternative adequate accommodations*" are specifically included, along with other temporary living situations (emphasis added). In reauthorizing the Violence Against Women Act of 2005, Congress specifically utilized the broader definition for the array of programs – including housing programs – in DOJ and HHS.

We believe that the HUD McKinney-Vento definition of homelessness should be amended to explicitly include two of the homeless situations referenced above (living doubled-up and in hotels or motels) that are included in the DOJ, HHS and ED definition of homelessness. There are many pressing reasons to expand this definition.

Ignoring the real need for housing and homeless assistance by using a limited definition of homelessness does nothing to assist policymakers, service providers, and others in making informed decisions about who is impacted by the affordable housing crisis in our communities and how to meet their needs. Only by acknowledging the full extent of homelessness, and by giving communities the flexibility to respond to it, can we begin to address the causes of and solutions to homelessness.

Homeless families and youth often have no choice but to live doubled-up or in motels. The street is not an option for families with children, given the risks to children and potential child welfare involvement.

Across the country, housing is unaffordable, and in many communities emergency shelters are full or non-existent.

Families and youth in doubled-up and motel situations are among the most vulnerable segments of the homeless population. Homelessness directly contributes to physical, mental and emotional harm to children and youth. In addition, there is evidence that experiencing homelessness as a child is associated with experiencing deep poverty and homelessness as an adult. Doubled-up and motel living situations can be less safe and less stable than shelters, involving more uncertainty, frequent moves and disruptions known to be harmful to child development. Yet despite their desperate need for HUD-funded housing and supportive services, these families and youth cannot access that assistance because HUD does not consider them to be homeless.

Making HUD's definition of homelessness more like the one used by DOJ, HHS or ED will result in better coordination between programs and services funded by the multiple agencies. This can be expected to result in improved services for homeless children, youth, and families. It will also facilitate data collection and data sharing.

Housing and homeless assistance are not entitlements; therefore expansion in eligibility for HUD homeless assistance programs will not lead to automatic increases in federal costs or a strain on local resources. Faced with limited resources to serve an increased number of victims seeking help, domestic violence shelters make priority decisions based on the availability of shelter beds and the lethality of a victim's situation. A homeless service provider should be able to make a similar choice. A homeless man who is residing in a shelter may be in less need of long-term housing than a family that has been moving from couch to couch. Local homeless shelters are the experts – they can triage situations to ensure that the neediest in their community receive priority access to resources. Broadening the HUD definition of

homelessness will simply give communities the flexibility to serve families and youth who are extremely vulnerable and who they are currently unable to serve.

Set-asides and Bonus Points Should be Reduced

Many communities have found investing in permanent supportive housing for chronically homeless individuals to be an effective use of resources. Unfortunately, the "chronic homelessness" initiative, though well-intentioned, is placing victims of domestic violence in danger. Victims of domestic violence across the country are losing access to resources for homeless persons due to funding priorities and set asides that exclude the majority of the homeless population, including families. For example, only 10% of homeless individuals are "chronically homeless" while 63% of homeless women are victims of domestic violence

If we don't assist victims of domestic violence, they will be trapped between life with their abusers and life on the streets. Rather than preventing homelessness, victims may be driven into "chronic" homelessness, and their children may repeat the cycle of violence and homelessness. The same is true of many other populations who will eventually become chronically homeless if there are no interventions to assist them, particularly homeless children and youth.

CPEHA takes several important steps toward balance by expanding the 30% set-aside for permanent housing and the definition of "chronically homeless" to include families headed by adults with disabilities. Expanding these categories to include families with children who are disabled would make these funds more useful, and if combined with an expanded definition of homelessness would make these programs more responsive to the needs of communities. CPEHA also recognizes that permanent housing is necessary for all groups by adding a 10% set-aside for homeless families with children. NNEDV believes that removing set-asides and allowing communities the flexibility they need to address homelessness in their locations is the most effective solution. Removing the "hard target" numbers of 30% and 10% would encourage the development of permanent housing without forcing communities to prioritize permanent

housing if that is not their most important need or their most effective solutions. CPEHA does not codify HUD's "Samaritan Initiative" which as highly prioritized addressing chronic homelessness. This is a significant improvement over current practice. However, removing directives to HUD about specific bonus points – giving control to local experts rather than HUD – would be another excellent improvement.

The current combination of the chronic homelessness initiative and the 30% set-aside has led to the funding cuts for domestic violence programs and homeless services previously discussed. But worse, they fail to accomplish their stated aim of reducing chronic homelessness and are likely to actually increase homelessness, particularly for other vulnerable groups. As the studies cited above document, family homelessness has not declined, but rather has been growing since implementation of these initiatives. For example, two years after beginning a plan to end chronic homelessness, New York City reported the highest number of homeless families recorded in the city's history.[12] There are five key areas of concern when evaluating the chronic homeless initiatives, including the 30% set-aside.

1) Targeting resources toward permanent supportive housing for the "chronically homeless" is unlikely to "free up" emergency resources for families or other populations.

This argument assumes that there is a fixed, unchanging population of people who are "chronically homeless," and that "freed up" shelter beds will go to serve other populations. Neither assumption is true. Without addressing the causes of homelessness, new people will continue to join the ranks of the "chronically homeless" and be in need of emergency shelter beds. Furthermore, no plan, discussion, or proposed restructuring of homeless assistance grants has been offered to specify precisely *how* "freed up" emergency shelter resources will be redirected toward "non-chronic" populations. In the absence of such a plan, or a significant influx of new resources for *all* populations, the targeting of resources toward permanent supportive housing for the "chronically homeless" merely re-shuffles the deck, resulting in *fewer*, not more, services for families and other populations.

2) The "chronic homelessness initiative," as currently conducted by HUD, is incapable of "ending homelessness" for people with disabilities.

While permanent supportive housing targeted to people who are *currently homeless* is an essential service in resolving the homelessness of many people with disabilities, it cannot prevent *currently housed* people with disabilities from losing their housing. Even if enough funding were allocated for permanent supportive housing for every person who is currently "chronically homeless," new individuals with disabilities would continue to become homeless because the underlying causes of their homelessness are not addressed by the initiative. Similarly, while "discharge planning" has been part of the "chronic homelessness" discussion around prevention, it becomes merely an ad hoc exercise in problem management when no affordable housing exists to which people can be discharged. Only a sustained effort to address the long-term causes of homelessness, including lack of adequate health care, affordable housing, and livable incomes, will prevent and end homelessness for people with – and without – disabilities.

3) The argument that "chronically homeless" people are "the most vulnerable" among people experiencing homelessness, and therefore deserving of greater attention and resources, is flawed.

Proponents of the chronic homelessness initiative have sought to garner support for it by asserting that "chronically homeless" people are "the most vulnerable" among people experiencing homelessness, and therefore deserve a greater portion of federal resources.[13] Such assertions unethically pit needy populations against each other for service dollars. Moreover, the accuracy of the assertion is undermined when research on children is considered – research that is strikingly absent from discussion at the federal policy level. Rarely mentioned, for example, is the finding that young children were most at risk of staying in public shelter in New York and Philadelphia, and the younger the child, the greater the risk; indeed, infants under the age of one had the highest rates of shelter use.[14] To assume that these children are less

vulnerable to the ill effects of homelessness because they move through the public shelter system more quickly is wrong. Many of the horrific conditions of homelessness directly contribute to physical, mental and emotional harm. For example, infants and toddlers who are homeless are at extreme risk of developmental delays and health complications.[15] Children experiencing homelessness are diagnosed with learning disabilities at much higher rates than other children.[16] In addition, there is evidence that experiencing homelessness as a child is associated with experiencing deep poverty and homelessness as an adult.[17] Ignoring the plight of this equally vulnerable population, under the questionable assumption that it is "less vulnerable" than single adults with disabilities, all but guarantees the perpetuation of "chronic" homelessness into the foreseeable future. Proponents of the chronic homeless initiative have also called "chronically" homeless individuals the "hardest to serve" and stated that without Federal priorities, local communities would not serve them. In truth, there are many "hard to serve" communities, including homeless immigrants, prisoners reentering the community, and teens who have turned to drugs and violence to survive. Every community has different groups who are very difficult to serve, and prioritizing one over the other at the federal level does nothing to help each state address its unique homeless population.

4) Profound cost-efficacy arguments can be made for addressing homelessness for many groups, not just for chronically homeless individuals.

One argument often put forth to justify the emphasis on chronic homelessness is one of cost efficacy. It is often stated that chronically homeless individuals cost society significant sums of money in emergency health care, jail and law enforcement costs, and temporary shelter. However, the same arguments can be made for other homeless populations, particularly victims of domestic violence and their children. When adequate shelter and housing are not available to victims, they frequently remain in abusive relationships – exacerbating these costs and exposing themselves and their children to danger.

The cost of intimate partner violence exceeds $5.8 billion each year, $4.1 billion of which is for direct medical and mental health care services.[18] When property loss, lost productivity, and pain and suffering are included, the total annual victim cost of domestic violence grows to $67 billion dollars.[19] These calculations do not include the enormous costs to the criminal justice system, including police response and prosecution, which would drastically increase the totals. Domestic violence also costs U.S. employers an estimated $3 to $13 billion annually,[20] and 25% to 50% of domestic violence victims report that they had lost a job due, at least in part, to domestic violence.[21]

Domestic violence contributes to a number of chronic health problems including depression, alcohol and substance abuse, and sexually transmitted diseases such as HIV/AIDS, and limits victims' ability to manage other chronic illnesses such as diabetes and hypertension.[22] New research also shows that intimate partner violence costs a health plan $19.3 million each year for every 100,000 women between 18 and 64 enrolled.[23] Even five years after abuse has ended, health care costs for women with a history of intimate partner violence remain 20% higher than those for women with no history of violence.[24]

The costs to society of a child growing up in a home with domestic violence are also shocking. A staggering number of children, between 3.3 and 10 million, experience or witness violence every year.[25] Slightly more than half of female victims of intimate partner violence live in households with children under age 12.[26] Furthermore, it is estimated that 50% of men who frequently abused their wives also abused their children.[27] Unfortunately, children who experience violence in the home are far more likely to not only engage in violence during their youth but also repeat abusive patterns in their future relationships. Children who witness spousal assault and who have also been the victims of parental assault are six times more likely to assault other children outside their family.[28] Boys who witness domestic violence are twice as likely to abuse their own partners and children when they become adults.[29] A high percentage of the nearly half a million 14-to-24-year-olds who leave the juvenile justice system, federal or state prisons or local jails

annually have experienced or witnessed violence at home.[30] Children who are exposed to domestic violence are also more likely to exhibit behavioral and physical health problems including depression and anxiety[31] as well as being more likely to attempt suicide, abuse drugs and alcohol, run away from home, engage in teenage prostitution, and commit sexual assault crimes.[32]

5) Communities are being forced to overlook the results of their own needs assessments in order to meet federal mandates to serve "chronically homeless" people. As a result, federal funding is not addressing the service gaps determined by communities.

In distributing homeless assistance grants, HUD asks communities to rank local needs and prioritize the gaps in the resources available to meet those needs. It then awards grants based on that process, called the "Continuum of Care." Over the past few years, as a result of the "chronic homelessness" initiative, HUD has given preference to communities that use funds for permanent housing to "end homelessness for chronically homeless people."[33] This preference disregards local needs, realities, and emerging trends, and is therefore in direct conflict with the stated goal of the Continuum of Care process: rather than enabling local communities to determine their own priorities based on local need, HUD has determined their priorities for them. Many communities have witnessed significant growth in the scale and severity of homelessness among families with children, unaccompanied youth, and disabled and non-disabled populations that do not fit neatly into the "chronic homeless" paradigm. Yet these communities are being forced to overlook emerging needs in favor of a narrowly constructed national priority. As a result, equally vulnerable populations face service gaps that, if left unaddressed, have the potential to cause irreparable harm and even lead to "chronic homelessness."

Confidentiality and Privacy for Victims and all Homeless People Should be Maintained

In 2001, the Veterans' Affairs, Housing and Urban Development Appropriations Conference Committee directed the Department of Housing and Urban Development (HUD) to collect data on the

extent of homelessness at a local level.[34] Although there were and are a variety of ways to meet this directive, HUD required McKinney-Vento funded entities to implement local Homeless Management Information Systems (HMIS). HMIS are complex databases that collect, track, and share comprehensive personally identifiable data about individuals who use services for the homeless, including victims of domestic violence.[35] It is dangerously easy to identify a victim by compiling and sharing victim's non-aggregate demographic information. For example, "87% of the population in the United States had reported characteristics that likely made them unique based only on *5-digit ZIP, gender, and date of birth*. About half of the U.S. population (132 million of 248 million or 53%) are likely to be uniquely identified by only *place, gender, date of birth*."[36]

Providing the location and sensitive information about a victim fleeing for her life to any third party or central database exacerbates the enhanced risk victims face when trying to escape an abusive partner.[37] Confidentiality has been essential to domestic violence shelters for 30 years because perpetrators will go to incredible lengths to find and harm their victims. Abusers who work for or know someone who works in the state system will be able to track their victims. According to the U.S. Secret Service and CERT Insider Threat Study, 83% of data security breaches took place from within the organization.[38] Abusers will also be able to hack into HMIS databases, as non-profit technology systems are significantly more vulnerable than the private industry systems that are breached every week. Given that over 155 million data records of U.S. residents have been exposed due to security breaches since January 2005, compiling and sharing personally identifying information about victims fleeing for their lives, and any homeless person, exposes the most vulnerable people to further harm.[39]

Though most employees of homeless shelters, Continuums of Care, and HUD are well-intentioned, even they are not immune from data breaches:

- In July 2006, personal information including the names and Social Security numbers of 8,400 homeless New York City parents was leaked in an email sent by an employee of the Department of Homeless Services.[40]
- During the same month, 757 current and former HUD employees were told that a backup disk containing their personal information had been lost. The missing disk contained information including names, social security numbers, and summary human resources and personnel data.[41]
- In December 2006, city officials in Columbia, South Carolina were barred from using the HMIS database because they had allowed the city police to pull names and social security numbers from it to run background checks and make arrests. It is a violation of federal law to share the information in this database in such a manner.[42]

Recognizing the dangers to victims in HUD's Homeless Management Information Systems, Congress, led by Senator Reed and Congresswoman Moore, clarified and reaffirmed the importance of victim confidentiality in the Violence Against Women Act of 2005 by amending the McKinney-Vento Homeless Assistance Act to protect personally identifying information of victims in HMIS. While this important federal legal change went into effect in January 2006, HUD has yet to implement the critical protections in VAWA for the shelters across the country and in Alabama.

HUD has provided no guidance to ensure that local domestic violence programs are not coerced into providing identifying information about victims. Many Continuums of Care are anxious to maintain funding and insist that victim service providers disclose information despite the statutory prohibition on such sharing. Most recently, shelters in South Dakota and Minnesota have come under intense pressure to disclose personally identifying information. Additionally, HUD provides conflicting information about HMIS in their NOFA. Domestic violence shelters are not considered as participating in HMIS, even when these agencies do participate by sharing aggregate non-identifying information. This is problematic for

communities where a domestic violence shelter is the only homeless shelter; the community appears to have 0% participation in HMIS and loses points on their application.

In addition, HMIS is required but inadequately funded, further reducing a program's ability to provide direct services. For instance, the domestic violence shelter in Huntsville manages the HMIS system for the northern half of the state but has recently cut neighboring continuums out of HMIS because the funds for HMIS have been reduced so significantly. They had been forced to subsidize the HMIS with funds needed to provide direct services and shelter beds.

One domestic violence program in Montgomery, which operates a model transitional housing program, has been under tremendous pressure to give personally identifying information about victims to the HMIS system. The pressure has not come directly from HUD, but from the local agency which has the HMIS grant and which has been having problems meeting their deliverables. This agency is caught in a terrible bind since ACADV, VAWA, and other state and federal funders prohibit the delivery of personally identifying information and, if they do deliver the information, their ACADV funds and VAWA formula grants are at risk.

As currently written, CPEHA eliminates the Reed provision to protect victims of domestic violence. However, Banking Committee staff have assured NNEDV that this was not an intentional exclusion and that the provision will be returned to the legislation in a manager's amendment. ACADV and NNEDV understand the complexities of amending a lengthy piece of legislation and greatly appreciate the work of Senator Reed's staff to resolve the issue.

In addition to the vitally important Reed provision, the proposed CPEHA bill can enhance the safety of victims using other community services and homeless shelters. As we have described above, domestic violence shelters are full far too often, and victims turn to HUD-funded agencies. These homeless service providers are sharing vast amounts of personally identifying information about all people who are

homeless, including victims of domestic violence. Additional provisions could enhance the safety and privacy of all people by treating data about homeless people with the same protections that exist in other data privacy and security statutes. These provisions include: mandating audit trails of access and use of personal data (easily done with a software program); prohibiting data sharing to decrease security risk and increase personal privacy; providing long-recognized rights to consent, correct, or remove personal data; and providing sanctions for unlawful disclosure of this most personal data.

Conclusion

In one day alone, 62% of the domestic violence programs in this country directly served nearly 50,000 women, men and children.[43] Over the course of a year, these programs serve at least 300,000 individuals. [44] Demand for our services rises continually – calls to the National Domestic Violence Hotline increased 15% last year, as it has nearly every year since its inception.[45] We know the Senate Committee on Banking, Housing and Urban Affairs, along with the rest of Congress, is committed to meeting the needs of these victims of domestic violence – and of the many more who are only now gaining the courage to come forward and ask for help.

On behalf of victims of domestic violence in Alabama and around the country, we thank the Committee for this opportunity to testify. We are in strong support of reauthorizing the McKinney-Vento Homeless Assistance Act and believe that by working together a bill can be passed that meets the needs of diverse communities. We look forward to working with the Banking Committee to achieve legislation that returns control to local communities and works for homeless families, including victims of domestic violence. Thank you again for your leadership to end both domestic violence and homelessness.

Endnotes

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Statement of

Moises Loza, Executive Director, Housing Assistance Council

before the Committee on Banking, Housing, and Urban Affairs,

United States Senate

June 21, 2007

Chairman Dodd, Ranking Member Shelby, Senator Reed, and members of the Committee, thank you for inviting the Housing Assistance Council to offer testimony on S. 1518, the Community Partnership to End Homelessness Act, and the resources that are needed to address homelessness effectively in rural communities.

My name is Moises Loza and I am the Executive Director of the Housing Assistance Council, a national nonprofit dedicated to improving housing conditions for low-income rural Americans. The Housing Assistance Council (HAC) was established in 1971 to provide financing, information, and technical services to nonprofit, for-profit, public, and other providers of rural housing. HAC strives to meet the housing needs of the rural poor by working in close partnership with local organizations throughout the nation, including providers of housing and services for homeless rural Americans. HAC has worked in rural communities throughout the nation.

I would like to begin with a brief overview of rural homelessness.

OVERVIEW OF RURAL HOMELESSNESS

Although homelessness is widely viewed as an urban problem, rural individuals and families also experience both literal homelessness and extremely precarious housing situations. Literal homelessness, the condition of living on the street or in a shelter, is often episodic and less common (although still occurring) in rural areas than in cities due to kinship networks and the lack of service providers and resources. HAC's local partners have often reported and research has shown that homeless people in rural areas typically experience precarious housing conditions, moving from one extremely substandard, overcrowded, and/or cost-burdened housing situation to another, often doubling or tripling up with friends or relatives.[1]

Recent HAC analysis of 2005 American Housing Survey (AHS) data highlights the large number of rural residents who are precariously housed (Table 1). For instance, over 6 million rural households experience a precarious housing condition, threatening their ability to achieve housing stability, and placing them at risk of homelessness.

Table 1. Precariously Housed Rural Households

Housing Characteristic	Number of Housing Units
Severe Cost Burden	3,244,325
Poor Quality	1,683,322
Crowding	445,430
Multiple Housing Problems	694,798
Total	**6,067,875**

Source: HAC Tabulations of AHS, 2005

[1] Patricia Post, *Hard to Reach: Rural Homelessness & Health Care* (Nashville: National Health Care for the Homeless Council, 2002); Housing Assistance Council, *Information Sheet on Rural Homelessness* (Washington, D.C.: HAC, 2006).

Homelessness is the most severe manifestation of poverty. In rural communities, poverty remains a stubborn problem, particularly among minorities, female-headed households, and children. More than 7.5 million or 14.2 percent of all rural households were poor in 2003, as compared to less than 12.5 percent of the rest of the United States. It is estimated that there are more than 750,000 persons homeless in the U.S. on any given night.[2] Based on conservative estimates, 9 percent of the homeless population lives in rural areas.[3]

The ability of rural community organizations to meet the needs of homeless persons in rural areas has often been hindered by geographic, programmatic, and organizational capacity constraints. For instance, many rural communities lack a system to meet emergency housing needs, and several structural issues limit the creation of these resources in rural areas. Such issues include:

- ***Community Awareness and Support.*** Since rural homeless people do not usually sleep outside, in emergency shelters, or in visible spaces, there may be a perception that this problem does not exist in rural communities. This lack of awareness can lead to reluctance to address the problem adequately.

- ***Access to Services.*** Rural areas have fewer service providers, and people may have to travel long distances where service providers are available. The service providers that

[2] National Alliance to End Homelessness, *Homelessness Counts* (Washington, D.C.: NAEH, 2007); U.S. Department of Housing and Urban Development, *Annual Homeless Assessment Report to Congress* (Washington, D.C.: HUD, 2007).
[3] Martha R. Burt, et al., Homelessness: Programs and the People They Serve, *Findings of the National Survey of Homeless Assistance Providers and Clients* (Washington, D.C.: Urban Institute, 1999).

exist in rural communities differ from their urban counterparts; they tend to provide less shelter and housing than prevention, outreach, food, and financial assistance.

Small, dispersed populations make it more expensive to serve the rural homeless than those in areas with denser populations. In addition, the range of homeless persons' needs is just as great in rural areas as in cities.[4] Homeless assistance resources are usually targeted to places with the largest and most visible populations, further challenging rural providers.

- ***Assessing Need.*** There is no national survey that comprehensively quantifies the number of rural homeless persons in the United States. Much of the homeless literature surveys metro and nonmetro service providers to document characteristics of the homeless population. This method is insufficient in characterizing rural homelessness since this population has less access to service providers, most likely resulting in a rural undercount. The difficulty of enumerating homeless persons leads to challenges in quantifying need, ultimately hindering policy and funding attention to this problem.

  In addition, many rural communities have limited nonprofit infrastructure, and limited capacity often hinders those providers that do exist.

- ***Definitional Issues.*** HUD uses a narrow definition of homelessness, which limits resources to those who are literally homeless. Rural residents who have no permanent

[4] Mary Stover, "The Hidden Homeless," in *Housing in Rural America*, ed. Joseph N. Belden and Robert J. Weiner (Thousand Oaks, Calif.: Sage Publications, 1999), 91-95.

homes but are experiencing housing stress (e.g., overcrowding), are not counted for programs such as the Continuum of Care. Therefore, many rural communities cannot access the funding needed to address the housing and service needs of this population. These definitional issues reinforce and compound the other challenges inherent in addressing rural homelessness.

Rural Homeless Response and Resources

For all these reasons, using federal resources can be difficult in rural places. Because the number of homeless people in a given community is often small and congregate shelter may be viewed as inappropriate, providers in rural areas have a strong incentive to emphasize homelessness prevention and permanent "re-housing" options. They must depend, however, on the best resources available: federal programs created by the McKinney-Vento Act, which focus on providing temporary housing and services to those who are literally homeless.

Despite their limitations, it is clear that these programs, specifically HUD's Continuum of Care programs, can be very useful in rural places.[5] Adopted by HUD in 1994, the Continuum of Care model requires local nonprofits and government agencies that utilize McKinney-Vento programs to collaboratively provide services to address homelessness. Southwest Georgia Housing Development Corporation (SWGAHDC), a HAC partner and local nonprofit housing development organization, provides a good example. SWGAHDC used the McKinney-Vento programs and a wide variety of partnerships to create its Millennium Center, a development for

[5] Stover 1999; Housing Assistance Council, *Formulas for Success: Housing Plus Services in Rural America* (Washington, D.C.: HAC, 2006).

women and families whose service needs stem from substance abuse addictions. The organization's partners include the county and city governments, the local housing authority and community college, state government, HUD, and USDA Rural Development.

Reauthorization of the McKinney-Vento programs will enable organizations like SWGAHDC to continue providing their valuable services for rural residents. In addition, the changes proposed in S. 1518 will improve rural access to essential homelessness assistance resources.

COMMENTS ON S. 1518, THE COMMUNITY PARTNERSHIP TO END HOMELESSNESS ACT

The Community Partnership to End Homelessness Act (CPEHA) demonstrates critical and innovative thinking about the challenges facing homeless persons and providers. In addition, it recognizes the realities of homelessness in rural communities and provides additional resources for those communities.

In seeking to reauthorize and strengthen the HUD McKinney-Vento homeless assistance programs, CPEHA respects greater decision making at the local level, provides resources for homelessness prevention activity, and makes available specific resources that ultimately allow rural communities the flexibility to implement a range of locally tailored housing solutions.

Homeless Prevention Services

Since the number of homeless people in a given rural community is often small and congregate shelter is often not feasible, homeless prevention services are a very important part of homeless assistance activities in rural communities. Currently, Continuum of Care funds cannot be used for prevention activities, but S. 1518 lifts this barrier. It allows homeless assistance program funds to be used to help prevent homelessness and to assist individuals and families in obtaining permanent housing and supportive services.

HAC applauds this change. Many local HAC partners provide prevention services, but must seek funding from sources less stable than the McKinney-Vento programs. An example is Heart House, a nonprofit in southeastern Indiana. While offering emergency shelter and transitional housing for homeless persons, Heart House also targets homelessness prevention services towards people living in substandard housing or other precarious situations. CPEHA's provisions would make it significantly easier for Heart House to fund these important prevention efforts.

Competitive Grant Program Consolidation

CPEHA would consolidate HUD's three main competitive homelessness programs (Supportive Housing Program, Shelter Plus Care, Moderate Rehabilitation/Single Room Occupancy) into one program, the Community Homeless Assistance Program. This change is intended to reduce the administrative burden on communities caused by varying program requirements.

Such a consolidation will benefit groups like Tennessee Valley Family Services (TVFS), a nonprofit organization located in Guntersville, Alabama. TVFS serves the needs of runaway youth, other homeless youth, and children in need of supervision, offering the full continuum of runaway and homeless programs. Streamlining the application process for its varied programs would enable TVFS staff to spend more time delivering aid and less time on administrative work.

HAC supports this provision, since it would improve rural communities' ability to apply for and receive needed homelessness assistance resources.

Rural Housing Stability Assistance Program

CPEHA would modify the Rural Homeless Assistance Grant (RHAG) program, a rural homeless-specific assistance program that was authorized by the original McKinney-Vento Act, but never funded. This program was created to support local rural organizations providing prevention, emergency assistance, services, and housing options to precariously housed and literally homeless persons. CPEHA changes the name of RHAG to the Rural Housing Stability Assistance program and makes amendments to the program, including but not limited to:

- targeting resources to re-housing or improving the housing conditions of individuals who are homeless or in the worst housing situation in a rural area;
- stabilizing the housing of individuals who are in danger of losing housing;

- providing a simplified funding application that recognizes the capacity constraints of rural community organizations; and
- allowing successful applicants to use up to 20 percent of their grant for capacity building activities.

HAC supports the Rural Housing Stability Assistance program because it will help local rural organizations both address and prevent homelessness in their communities. The importance of this flexible targeting is demonstrated by the work of Bishop Sheen Ecumenical Housing Foundation, a HAC partner and faith-based nonprofit housing organization that serves low-income families, seniors, and persons with disabilities in 13 counties in western New York. Most homes in that part of the state are aging, resulting in increased needs for rehabilitation. Last year, Sheen Housing helped rehabilitate the homes of more than 500 families, seniors, and disabled persons, thus keeping them stably housed.

A striking story illuminates the work of Sheen Housing and like organizations that help keep low-income persons away from literal homelessness. Mr. C, his wife, and his 17-year-old son are disabled and live in a remote, very rural setting. Sheen Housing received a handwritten note from this family stating their ceiling was collapsing. A representative from the New York State Office for the Aging who had stopped at the home called Sheen Housing to report that the ceiling could fall "at any time." Sheen Housing made the needed health and safety repairs, including replacing the ceiling, repairing the roof, and painting the interior. Mr. and Mrs. C and their son are now able to remain in their home.

Another example comes from northwest Tennessee, where Carey Counseling, a local HAC partner and nonprofit housing and mental health organization, serves a large, predominantly rural area. Carey Counseling's many activities include developing housing for persons with mental illness and co-occurring disorders. A new flexible, local rural-specific resource, such as the Rural Housing Stability Assistance program, would help Carey Counseling develop new supportive housing projects for a population at risk of homelessness.

HAC also supports the simplified application and capacity building portions of the Rural Housing Stability Assistance program. Across the nation, rural residents need the kind of housing and services provided by Southwest Georgia Housing Development Corporation, Heart House in Indiana, Sheen Housing in New York state, Tennessee Valley Family Services in Alabama, and Carey Counseling in Tennessee. Yet many of these residents are still crowded into others' homes, at risk of injury in substandard housing, unsheltered, or still paying more than they can afford for their homes, simply because community-based and faith-based organizations in their areas do not have the knowledge or funding to help them.

As an intermediary organization for 36 years, HAC has seen repeatedly that strengthening the capabilities of local rural housing organizations can provide immense benefits to rural communities. The simplified application will help rural organizations access much-needed resources. Capacity building funds will provide relatively small investments in staff training, equipment purchases, and the like that enable local rural organizations to meet the needs of homeless and precariously housed people now and in the future.

In short, HAC fully supports the creation of the Rural Housing Stability Assistance program. It is sensitive to the needs of rural communities and presents crucial, flexible resources for rural organizations providing homeless assistance programs to their communities.

CONCLUSION

Thank you all for this opportunity to comment on the Community Partnership to End Homelessness Act and the housing needs of rural homeless persons. I would be happy to respond to any questions.

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presented to

Senate Banking, Housing and Urban Affairs Committee

United States Senate

S. 1518, the Community Partnership to End Homelessness Act

June 21, 2007

Thank you, Chairman Dodd, Ranking Member Shelby and Senator Reed for allowing us to give testimony on this very important legislation. My name is Linda Glassman. I am here today representing the National AIDS Housing Coalition, a 13-year old national not-for-profit housing organization working to expand resources for housing persons with HIV/AIDS in communities nationwide. I also am the Executive Director of CARES, Inc., a not-for-profit agency based in Albany, New York, which not only provides housing for persons with HIV/AIDS but also coordinates the McKinney-Vento Act-funded Continuum of Care process in four counties of northeastern New York and provides support in understanding the Continuum of Care process to a variety of communities, both urban and rural, throughout upstate New York.

Consolidating and streamlining the federal low-income housing programs that respond to homelessness is very important to the National

AIDS Housing Coalition because of the tremendous impact that homelessness has on the health and longevity of persons living with HIV/AIDS. A number of research studies have now demonstrated that homelessness is a major risk factor for AIDS, and HIV is a major risk factor for homelessness. [i]

The National AIDS Housing Coalition's Research Summit initiative provides a regular forum for researchers, housing and homeless policy experts, residents of AIDS housing programs and their advocates to explore the role that stable housing plays in HIV prevention, care and treatment.[ii] One of the Research Summit's most important documented findings is that up to 60% of persons with HIV/AIDS have had an experience of homelessness or unstable housing at some time during their illness.[iii] As a result of this and other compelling research findings, NAHC has adopted a policy imperative making housing homeless persons with HIV/AIDS a top prevention priority.

Because of the documented importance of providing adequate, affordable housing for persons living with HIV/AIDS, the National AIDS Housing Coalition has strongly supported the Housing for Persons with AIDS (HOPWA) program. However, we estimate that the HOPWA program currently falls $168 million short of meeting the national need for housing for people with HIV/AIDS and their families. In many communities, such as my own in upstate New York, many more

homeless persons with HIV/AIDS are assisted in acquiring and maintaining stable housing with McKinney-Vento Act funding than assisted are with HOPWA dollars. Therefore, reauthorization of the McKinney-Vento Act has a direct impact on the provision of transitional and permanent supportive housing for homeless persons with HIV/AIDS, along with homeless persons with other disabilities.

The National AIDS Housing Coalition strongly supports the Community Partnership to End Homelessness Act of 2007. The bill's sponsors have given careful consideration to what has worked well in the existing legislation and have been able to retain it, while making needed changes to parts of the legislation in order to better facilitate local efforts to end homelessness. The National AIDS Housing Coalition is supportive of the Community Partnership to End Homelessness Act's focus on community collaboration, its flexibility in the types of entities that can serve as a Collaborative Applicant, and its creation of a standard matching requirement.

There are three particularly positive aspects of the legislation that we would like to highlight. The first of these is the increased emphasis on prevention and rehousing activities. It makes absolute sense to intervene before people become homeless, providing them with the temporary support needed to make a rent payment or cover the cost of utility bills, rather than to wait until they become homeless to serve them. It also

makes sense to offer rehousing assistance to individuals and families who have already become homeless but who are not in need of ongoing supportive services. The provision of short- and medium-term rental assistance would enable these individuals and families to be stably housed while awaiting permanent housing provided by local housing authorities, Section 8 programs, and other mainstream housing assistance programs.

Second, we would like to convey the National AIDS Housing Coalition's support for the proposed Rural Housing Stability Program. The National AIDS Housing Coalition includes members from rural communities that, while not having the same sort of visible homelessness that the big cities have, have very high levels of poverty and homelessness, especially family homelessness. I work with a number of these rural communities in Upstate New York, and know first-hand how difficult it has become to make meaningful use of McKinney Act funding, particularly given the many restrictions that have been added in recent years.

I know that, for many, the name "New York" does not conjure up images of rural farmland and craggy mountain peaks, but that is exactly the topography of much of upstate New York. Many of the communities in which I work are located in the Adirondack Park in which there is much poverty, insufficient and poor-quality housing stock, little

governmental infrastructure and only a smattering of not-for-profit agencies. These communities, which can span several counties and one hundred or more miles, do not have the capacity to meet all of the requirements of Continuum of Care process, including holding monthly meetings of all providers, conducting point-in-time counts of homeless individuals and families (especially since these are mandated to be held in late January, when weather conditions can be prohibitive), and paying for costly data collection software. Because they have few major streets, these communities do not have any "street" homelessness; rather, homeless persons remain hidden from view in encampments, unheated barns, and other places not suitable for habitation. Because there are no emergency shelters, homeless individuals and families are housed by friends, their extended families, and by compassionate members of local religious congregations and other local residents, thereby disqualifying them from being considered "homeless" under the provisions of the McKinney Vento-Act. My own experience is echoed by that of other National AIDS Housing Coalition Board members who serve rural communities in Alabama, Missouri, Ohio, and even Hawaii. It is clear to us that these rural communities have different, not lesser, needs than their urban/suburban neighbors. The National AIDS Housing Coalition strongly supports the creation of the proposed Rural Housing Stability Program, which will provide rural communities with the latitude and flexibility needed to address their unique challenges.

The third aspect of the Community Partnership to End Homelessness Act of which we are particularly supportive is the shifting of renewal funding for permanent supportive housing programs to the Section 8 account. These programs are indeed meant to house people permanently and it makes sense to renew their funding out of an account that is set-aside for permanent housing. Even more importantly, this would free up McKinney-Vento money to be used to serve additional homeless individuals and families, rather than having most of taken up with funding renewals. Certainly, the extent of the need for additional homeless housing resources more than justifies this shift.

Having established our strong support for the Community Partnership to End Homelessness Act of 2007, and having focused on three particularly positive components of the legislation, we would like to offer just one suggestion, which is to consider making a modification of the definition of "homelessness" used in the legislation. We understand the need to use this funding to serve those individuals and families who are in most need, but members of our Coalition have encountered a small percentage of truly homeless persons who have not been eligible for permanent housing under the Mc-Kinney-Vento Act because they are unable to access emergency shelters, one of the only two means of qualifying as "homeless" for the purposes of accessing permanent supportive housing according to the existing McKinney-Vento Act. The National AIDS Housing Coalition respectfully requests that the bill's sponsors consider

as homeless the following: 1) people who are temporarily staying with friends and family who have stayed in at least three different households in the last year because they did not have the resources to rent a housing unit consistent with federal housing quality standards; and/or 2) homeless people who are temporarily staying with family or friends whose presence in household in which they are staying causes the leaseholder to be in violation of the lease, such as in public housing or in Section 8 program.

We ask for this consideration because, in areas in which there are no emergency shelters, these are the two emergency housing options most often available to homeless individuals and families. We want to be clear that we are not asking for a wide expansion of the definition of homelessness, but just for geographic parity for those communities in which emergency shelter is not obtainable.

Having made that small request, the National AIDS Housing Coalition would like to reiterate our strong support for the Community Partnership to End Homelessness Act of 2007 and urge its passage. Thank you very much for giving the National AIDS Housing Coalition the opportunity to express our opinion on this very important legislation, legislation which would greatly benefit homeless individuals and families in communities across the entire United States.

[i] Aidala, A. Inequality and HIV: The role of housing. *Psychology and AIDS Exchange*, American Psychological Association, in press. Culhane, D.P., Gollub, E., Kuhn, R., and Shpaner, M. (2001). The co-occurrence of AIDS and homelessness: Results from the integration of administrative data for AIDS surveillance and public shelter utilization in Philadelphia. *Journal of Epidemiology and Community Health*, 55(7): 515-520.

[ii] The National AIDS Housing Coalition convened the Research Summit Series in 2005 and 2006 in collaboration with the Bloomberg School of Public Helath of Johns Hopkins University. The Summit series provides an unprecedented format for the exchange of research findings and public policy strategies on topics related to housing and HIV prevention and care, among participants from different disciplines, different parts of the country, and different socioeconomic perspectives. Participants examine empirical data on the relation of housing, HIV, and community health; discuss the policy implications of research findings; and work collaboratively on the development of collective strategies for ensuring a sound, evidence-based and data-driven public health response to the housing needs of persons living with HIV and at heightened risk of infection.

[iii] Aidala, A., Cross, J.E., Stall, R., Harre, D., and Sumartojo, E. (2005). Housing status and HIV risk behaviors: Implications for prevention and policy. *AIDS and Behavior, 9(3): 251-265.*

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Testimony
of
Nan Roman
President
National Alliance to End Homelessness

before the
Committee on Banking, Housing and Urban Affairs
U.S. Senate

Community Partnership to End Homelessness Act
S. 1518

June 21, 2007

Chairman Dodd, Ranking Member Shelby, Senator Reed and members of the Committee, on behalf of our Board of Directors and partners, I am honored that you have invited the National Alliance to End Homelessness (the Alliance) to testify before you today on reauthorization of the McKinney-Vento Homeless Assistance Act housing programs and on how these programs can better be used to end homelessness in the nation. The National Alliance to End Homelessness believes that ending homelessness is well within our reach. Indeed, some communities are making real progress toward this goal. In this regard, I am delighted today to speak to you in support of the Community Partnership to End Homelessness Act (CPEHA), recently introduced by Senator Reed and Senator Allard and already backed by a distinguished group of Senators from both sides of the aisle. Homelessness has long been an issue that this

Committee has addressed in a serious, an innovative, and a bipartisan way. The Alliance is gratified that this bill builds upon that distinguished record of accomplishment and moves the ball forward.

The National Alliance to End Homelessness is a nonpartisan, nonprofit organization that was founded in 1983 by a group of leaders deeply disturbed by the appearance of thousands of Americans living on the streets of our nation. In its early years it focused on meeting the emergency needs of this emerging population. Soon, however, as it became apparent that emergency measures would not solve the problem, we turned our attention to more permanent solutions. Today, the bipartisan Alliance Board of Directors and our over 5,000 nonprofit, faith-based, private and public sector partners across the country devote ourselves to the affordable housing, access to services, and livable incomes that will end homelessness.

We are grateful to you for introducing this creative bill and for holding this hearing today. Those across the nation who have devoted their lives to assisting homeless people have done yeoman's work. The current Homeless Assistance Grant program at HUD is well administered by the Department and has a positive impact on lives and on communities. Millions of people have been helped and billions of state, local, philanthropic, corporate and individual dollars have been leveraged. The accomplishments are enormous. Having said this, we are not satisfied. Despite all of this investment and hard work, homelessness has not been eliminated, and in many communities the numbers continue to go up. Certainly the major cause of this is the decreasing supply of housing that is affordable to extremely low income people. If we had an adequate supply of affordable housing, as we did as recently as the 1970s, we would not have widespread homelessness, as we did not have it then. The supply of affordable housing is a problem that requires your urgent attention, and I know that the Committee is addressing it. But even within the context of the lack of affordable

housing, we *can* do a better job with the resources we currently have. I believe that S.1518 will help us do that.

Where Our Nation Stands on Homelessness

Far too many people are homeless in our nation. The Alliance's recent report, *Homelessness Counts*, reveals the following based on an assessment of the 2005 point in time counts collected by HUD from around the nation.

- In January 2005, an estimated 744,313 people experienced homelessness (this expands to 2.3-3.5 million people who experience homelessness in the course of a year).
- 56 percent of homeless people counted were living in shelters and transitional housing and, shockingly, 44 percent were unsheltered.
- 59 percent of homeless people counted were single adults and 41 percent were people living in families.
- In total, 98,452 homeless families were counted.
- 23 percent of homeless people were reported as chronically homeless, which according to HUD's definition means that they are homeless for long periods or repeatedly and have a disability.

The numbers are disturbing, but even more disturbing is this: 1% of all Americans and fully 10% of poor Americans become homeless each year. People who experience homelessness have a mix of characteristics, ages, and disability statuses. The one thing that they have in common is that they cannot afford housing. Homeless people may need access to services, but this is a problem that is driven by the lack of affordable housing.

This is the bad news, but there is some good news as well. In 2000, the National Alliance to End Homelessness introduced the idea of planning to *end* homelessness. The basic idea – going to scale on prevention and rehousing – has caught on. Over three hundred communities across the nation are creating plans to end homelessness – some (about one-third) for the hardest to serve chronically homeless individuals; others (about two-thirds) for the whole range of people who experience homelessness. Unprecedented local and state engagement and resources are being applied to the problem in support of the committed and talented nonprofit and faith-based delivery system. It is producing results.

- Portland, Oregon has reduced chronic street homelessness by 70% since 2005.
- Westchester County, New York reduced homelessness among families by 57%.
- Hennepin County, Minnesota reduced family homelessness 42% between 2002 and 2004.
- Here in the District of Columbia, it was just reported that homelessness was reduced by 6.5% and chronic homelessness by 6% in the past year.

This is an amazing, and largely unheralded, national effort to *solve* a social problem, and one that should be supported. This bill will help with the implementation of these plans.

The Right Mix

In reauthorizing the HUD McKinney-Vento programs, you face a difficult task. There is an existing infrastructure of programs and processes that you will want to build upon, enhancing the good elements and reducing the less effective ones. There are sometimes conflicting views of how the program should operate, and what its goals should be. Some feel that it should focus on housing the hardest to serve; others that it makes more sense to focus on prevention or helping those with fewer barriers to rehousing. Some feel that localities or states know best what to do with the resources;

others that federal resources should have federally-designed purposes. Some feel that services should be funded; others that housing should be the focus. In fact, the program will have to accomplish all of these goals.

Another important factor is that homeless assistance money from HUD, alone, is not sufficient to solve the problems of everyone who is homeless or threatened with homelessness. The McKinney-Vento programs cannot do everything. But the existing Continuum of Care process and the resources of McKinney-Vento are the place where agencies that address housing, services, and income meet to strategize around homelessness, where resources are put on the table and leveraged, and where commitments are made. The program presents an opportunity to leverage a much wider variety of resources and bring to the table actors who can make a real difference.

The issue in reauthorization, then, is not what must be done, because everything must be done. The issue is achieving the right mix – how much of everything to do. And further it is how to improve outcomes in such as way as to build confidence in the system and attract new support and resources, public and private. We believe that you have done a good job of balancing these varied needs in the bill. One of the reasons is that, over the past few years, you have devoted a tremendous amount of time to listening to what people from around the country and from different organizations had to say about homelessness and the McKinney-Vento programs. Your openness to the concerns and needs of providers, homeless people, state and local agencies, and other funders has led to a bill that codifies the solid core of the existing Continuum of Care system; improves its focus on outcomes; and addresses key outstanding concerns, particularly around prevention and rural areas.

Based upon this assessment, the National Alliance to End Homelessness wholeheartedly supports S.1518, the Community Partnership to End Homelessness Act. In particular, we are supportive of the following elements of the bill.

Key Provisions of S 1518

The current system is a good one to build upon. The current Continuum of Care has become a significant and productive process in communities across the nation. It brings together major players from the public and private sectors to set priorities and achieve coordination, striving to create a seamless system from the client perspective. It is well administered by HUD and leverages tremendous public and private resources in most communities. This is not a system that needs to be fixed, but one that needs to be built upon. CPEHA largely codifies the positive aspects of the existing system, including the involvement of a wide range of stakeholders and an expectation that the needs of all homeless people in the community will be met. It builds upon the existing system in several ways.

- It offers communities and states the option of either a less formal collaborative applicant made up of a variety of nonprofit and public stakeholders; the creation of a nonprofit entity to apply for funds; or the designation of a public agency to serve the function. This flexibility recognizes that the interest and role of governments and nonprofits are different in different jurisdictions.
- It allows communities to take more responsibility for the operation of their Continuum of Care through the establishment of a Unified Funding Agency.
- It takes steps to make the awarding and obligating of funds quicker and more predictable.
- It consolidates the existing programs of McKinney-Vento into a unified set of eligible activities that are consistent with those currently in use.
- As in the past, the competitive selection would largely be dependent upon two things: pro rata need and points awarded through the application.

- It simplifies the match requirement, replacing the current, variable system. It also clarifies some technical issues with the services match for permanent housing, which would ease the way for supportive housing providers to link their tenants to mainstream services systems, a desired outcome that is currently disincentivized.

We have learned a lot about how to make progress on homelessness. Since the inception of the McKinney Act in the late 1980s, we have learned a lot about what works. For example:

- For a great many families, *Housing First* is effective. Housing First means that the first focus is on getting the family into permanent housing quickly (which will involve crisis intervention services to clear immediate impediments to rehousing), with a linkage to services. This bill incentivizes communities to employ Housing First strategies. Further, it allows funding for permanent housing for any homeless family (which the current program does not).
- *Supportive housing* (housing with services) ends homelessness for people with disabilities: without supportive housing, this sub-population of homeless people tends to stay homeless the longest, at great public expense not only to homeless programs, but also to health, hospital, corrections and other systems. Supportive housing is proven effective. Communities that are making progress in reducing homelessness, especially among people with disabilities and chronically homeless people, are doing so through the expansion of their supportive housing programs. CPEHA encourages the use of supportive housing to address the needs of this population.
    - It designates 30% of the funding for the creation of supportive housing.
    - It simplifies and regularizes the renewal of such housing. Once the initial program period is over, it funds the renewal of this housing from the fund

that supports renewal of Section 8. This eliminates the current system of renewing different permanent housing programs from different sources, provides security to tenants of permanent housing, and creates a system that is capable of fully meeting the needs of chronically homeless people for permanent supportive housing.

- We have, in our discussions with partners such as the National Equity Fund and the Shelter Plus Care Coalition identified some technical changes that may be needed to make the program work better with tax credits and other financing vehicles. We ask that the Committee consider these changes as the bill moves forward.

Supportive housing and Housing First are incentivized in the bill, which anticipates HUD establishing other best practices in the future.

We should encourage communities to focus on outcomes, while recognizing that many may be constrained by factors outside the control of McKinney-Vento. The factors that cause homelessness, and often the systems that could solve it, extend beyond the homeless programs. They include the supply of affordable housing, the mental health system, the corrections system, the child welfare system, and many others. CPEHA does a good job of tapping into these systems, but it cannot fully control them. Despite this constraint, homeless assistance providers continue to believe that they can be more efficient and effective and do a better job, based upon continued learning about what works. Accordingly, we very much support the bill's outcome incentives.

In particular, the designation of High Performing Communities addresses three sometimes conflicting needs.

- Some applicants are committed to outcomes but cannot compel a more widespread community approach that addresses causes and solutions. *The homeless people in these communities should not be penalized.*
- Some communities wish to have much more flexibility to address the problem, but have not demonstrated their ability to utilize such flexibility to achieve improved outcomes. *If they can show outcomes, they should receive that flexibility.*
- Some communities have seriously undertaken to improve their performance and have succeeded. *They should be rewarded.*

The High Performing Communities provision does a good job both of focusing on outcomes and of increasing flexibility.

Data and planning are critical to progress. Communities making progress frequently have good data systems that allow them to assess: the size of the homeless population and its characteristics; how people use the homeless system; and the effectiveness of various interventions. They use this data to adjust their homeless system, and often to adjust other public systems as well. We support the provisions in the bill that require the establishment of homeless data management systems (HMIS) and that encourage the creative use of data for planning and project implementation.

Communities see the value of preventing homelessness before it occurs. No matter how efficient the homeless system becomes at getting people back into housing, we will never end homelessness if we do not stop people from becoming homeless in the first place. Prevention avoids both human suffering and costly remedial intervention. It makes sense.

Having said that, the pool of people who are at risk of homelessness, and therefore may be eligible for prevention, is huge. In fact, a report recently released by HUD found

that 5.99 million households (13.42 million individuals) had worst case housing needs in 2005. This figure (a 16% increase over 2003) represents over 13 million people who have very low incomes and are paying too much for housing or living in substandard housing and are, therefore, at risk of homelessness. McKinney-Vento does not have the resources to fully address this problem.

Once again, then, we are in the position of determining a sensible strategy that allows communities and programs to address the needs of a group of people on the brink of homelessness, but does not unrealistically propose to solve the precarious housing situations of millions of Americans. I believe that the bill does this admirably through the establishment of a new Title for Community Homelessness Prevention and Housing Stability. Through this mechanism, the bulk of assistance remains well-targeted to those with the most severe needs: people who are literally homeless. On the other hand, it meets the natural and sensible desire of homeless assistance providers to identify and help those people most likely to become homeless, *before* they fall over the brink.

Rural communities have different challenges and different opportunities. The current Continuum of Care system is not the most workable approach for rural communities.

- It is not possible to establish the full continuum of shelter, transitional housing, permanent housing, and service programs in every rural community.
- The planning functions of the continuum are difficult to achieve across the geography of rural continuums, putting them at a disadvantage in competition against more compact urban areas.
- Definitional issues are a problem. Because of a lack of shelter in many communities, people are doubled up and may have difficulty meeting HUD's definitions of homelessness or chronic homelessness.

- Program models are not always the same as for urban areas. Outreach may look different to a doubled up population, for example; or supportive housing models for two or three individuals might be hard to finance because of economies of scale. Substandard housing, manufactured housing, and at-risk home owners are more common in rural areas, but the particular problems associated with each are not so easily addressed by the current programs.
- Transportation is a much more important consideration, as is income support, yet these are not easily addressed in the current program.
- Capacity is an issue, and rural areas have often been uncompetitive in the Continuum's competitive process.
- Administration of programs is a problem. Three percent of a large city's several million dollar grant may provide enough resources to undertake sophisticated data collection and administration. Three percent of a grant of $30,000 to a rural area does not do so.
- The players may be different in rural areas. While human services entities are common at the county level, housing agencies are less so and the nonprofit and philanthropic infrastructures are very thin. This creates gaps.

On the other hand, rural communities have considerable assets that present opportunities, if they can be taken advantage of.

- The number of homeless people and the rate of homelessness are lower.
- People know individual clients and their problems, have relationships with them, and can intervene in a more individualized fashion. It is not necessary to set up large systems.
- There is less tolerance for long term temporary approaches, and people tend to focus on solutions.

- In rural areas, county mainstream systems (mental health, etc.) may be more integrally involved than is the case in urban areas which may have pushed the problem off entirely to the homeless system.
- There is not so much investment in infrastructure, so that movement toward a housing model is easier to accomplish.

A significant feature of the Community Partnership to End Homelessness Act is its approach to rural communities. It addresses many of the concerns expressed above.

- It gives rural communities the ability to address the needs of people who do not meet the current HUD definitions of homeless and chronically homeless.
- It allows rural communities to compete against other rural communities, removing the disadvantages they experience when competing against urban communities.
- It gives rural communities the ability to undertake activities that are not currently eligible in the regular grant program, including prevention and capacity-building.

I believe that this provision will significantly improve the ability of rural areas to address the problems of homelessness.

The needs of homeless families require more concerted attention. While they have been addressed by the current program, the needs of homeless families have often not received the attention they should have over the past few years. CPEHA makes significant changes in the current system that will greatly benefit homeless families with children.

Homeless families, when asked, are extremely clear about what they want and what would help them: they want help securing housing. This bill places the focus there. While the HUD homelessness programs are far too small to single-handedly solve the nation's housing affordability crisis, they can at least ensure that homeless families and families on the verge of homelessness get effective help with housing.

The Community Partnership to End Homelessness Act changes the operation of the HUD homelessness programs in the following ways that specifically benefit families with children and help them attain what they most want – an end to their homelessness.

- It creates a new program to fund a wide range of homeless prevention activities. The main demand for this program has been to serve families who are at high risk of homelessness – doubled up, moving often, and with extremely low incomes.
- It requires HUD to provide bonuses or other incentives to communities that provide rapid rehousing services to homeless families. Rapid rehousing is a primary tool for communities that have substantially reduced family homelessness.
- It includes families in the definition of "chronically homeless," allowing communities to use money targeted to chronically homeless people for families as well as individuals as long as other criteria are met.
- It allows communities to pay for permanent housing for any homeless person, eliminating the requirement that McKinney-Vento-funded permanent housing be available only to homeless people with a disability. Families with children are likely to be the primary beneficiaries of this change.
- It sets aside 10 percent of funding for activities that permanently house homeless families.
- It makes rehousing services (including flexible housing assistance) eligible activities. This is likely to primarily benefit homeless families.
- It rewards communities that fully implement rapid rehousing services for families by allowing them to use bonus money for prevention activities.
- It provides flexibility incentives so that communities that do a good job of rapidly rehousing homeless people will be allowed to use their homelessness funds for

prevention activities. It is likely that families that are on the verge of homelessness will be the primary beneficiaries.

It is important to maintain a tight focus on outcomes by targeting assistance wisely. As was stated above, the McKinney-Vento programs cannot do everything to address all of the causes and solutions to homelessness. The difficult task at hand is to figure out what they *can* do and then to ascertain how they can be used to leverage other resources to fill the gaps.

At present, on a given night some 750,000 people are literally homeless. Nearly half of these people are unsheltered: we are not currently meeting their basic needs. Some people have advocated changing the definition of homelessness to include people who are doubled up for economic reasons. Others have said that until we can meet the most basic needs of those who are literally without any shelter at all, it makes little sense to expand the pool of those eligible.

In the interest of understanding this issue, the Alliance conducted a preliminary analysis of the Census Bureau's 2005 American Community Survey data. We found that somewhere between 2.4 million and 10.5 million individuals are doubled up and living below the poverty line (the wide range is due to the lack of a precise definition for "doubled up"). If this group were counted as homeless, we would have somewhere between four and 15 times as many people eligible for homeless assistance as we currently have. We could not support expanding the pool of eligible recipients of assistance without a commensurate increase in funding and a significantly expanded scope of program interventions.

In fact, communities that are making progress are taking steps to target their assistance more tightly to those with the most acute needs. People with more severe needs, most especially those with chronic disabilities, receive the richer assistance of

housing subsidy and services. Those with no less critical, but perhaps less intensive, needs can receive emergency assistance to help them get quickly back on their feet. CPEHA, in our view, properly allows such targeted assistance by making the appropriate activities eligible and focusing communities on outcomes.

Moving forward

In summary, the National Alliance to End Homelessness supports the Community Partnership to End Homelessness Act. We believe that it successfully accomplishes the difficult task of focusing on outcomes while recognizing that the funding it provides cannot, alone, end homelessness. It contains significant new, and much needed, initiatives on prevention and rural homelessness. It retains a commitment to meet the needs of chronically homeless individuals by targeting assistance to them, and through the non-competitive renewal of their permanent housing. It rightly expands this initiative to include chronically homeless families. On the issue of families, it contains a significant new focus on the needs of families and will result in a broader set of interventions to assist them. It does not pretend to be able to do everything, but it does advance the ball, using a set of incentives to leverage other needed resources.

We are tremendously grateful to the members of the Committee, and particularly to Senator Reed and Senator Allard for their active outreach to hundreds of nonprofit and public agencies and homeless individuals in the effort to craft the bill. More importantly, we are grateful for your willingness to respond to their considerations. I believe that this approach has resulted in a bill that fairly addresses a very broad range of concerns and issues.

The National Alliance to End Homelessness is an organization that, as its name states, has one simple goal – ending homelessness. We examine every proposed policy initiative in the light of its ability to make progress toward that goal. It is our belief

that this bill is soundly grounded in the knowledge of what works to end homelessness. It is therefore our privilege to support it, and we look forward to working with you to move the bill forward.

RESPONSE TO WRITTEN QUESTIONS OF SENATOR CRAPO FROM ROY A. BERNARDI

Q.1. How does S. 1518 and the Administration's proposal guarantee that federal dollars will not be disproportionately allocated to larger urban areas where organizational capacity offers a significant competitive advantage over rural communities? For such a critical resource in our state, how is Idaho's current funding level protected against future erosion under the competitive allocation process?

A.1. In 2006, the State of Idaho received 99% of the funds applied for in the Continuum of Care (CoC) funding competition. The Idaho Balance of State, which represents the entire state other than Boise, scored 92.5 out of 100 possible points and had all of its projects funded. With a top national score of 95 points, the Idaho Balance of State showed that a rural CoC can be a very strong performer in the funding competition.

Reed/Allard Bill, S. 1518, Community Partnership to End Homelessness Act of 2007

A significant aspect of the Reed bill is the establishment of a separate program for rural communities that would take them out of direct competition with well established urban CoCs while retaining their respective pro-rata need. At Section 404(a), the Reed bill provides rural CoCs the ability to receive technical assistance for private non-profit organizations and other nongovernmental entities, States, metropolitan cities, urban counties, and counties that are not urban counties that are potential project sponsors, in order to implement effective planning processes for preventing and ending homelessness, to optimize self-sufficiency among homeless individuals and to improve their capacity to become project sponsors. This assistance will enhance the ability of rural CoCs to compete in the area of organizational capacity amongst other rural CoCs if they choose to apply under the Rural Housing Stability Assistance Program, or with any other CoC if they choose to apply under the Community Homeless Assistance Program.

Administration Bill, Homeless Assistance Consolidation Act of 2007

The Administration's bill at Section 423(a)(8) adds technical assistance as a new eligible activity which will allow a CoC board to obtain training designed to increase its capacity to perform its function under the subtitle, including evidence-based practices. Like the Reed bill, this enhancement to the current list of eligible activities will benefit communities, including those in rural areas, which currently lack the organizational capacity to be competitive in the funding competition. To accommodate communities that still have difficulty obtaining funds competitively, the Administration intends to continue the current policy of establishing a CoC's baseline of funding at the higher of the pro-rata need or their total 1-year renewal amount. This would continue to ensure that lower-scoring renewal requests receive funding for at least 1 year.

RESPONSE TO WRITTEN QUESTIONS OF SENATOR DODD FROM LLOYD S. PENDLETON

Q.1. How well do we believe the CDBG measures either the incidence or severity of homelessness across communities?

A.1. In comparing the present CDBG formulas for states (population at either 20 or 25%, poverty at either 30 or 50%, pre-1940 housing at 50% or Overcrowding at 25%) with the point-in-time counts and the HMIS reported homeless, we see no significant relationship in the incidence or severity of homelessness. Even though the point-in-time counts are improving, especially with the recently implemented HMIS, the numbers are still soft and would create challenges in allocating funding for the homeless.

Q.2. Briefly comment on whether Congress should be setting up set-asides for specific homeless populations or whether local communities should be free to determine their own needs and priorities?

A.2. Because of the significant difference in Utah with a fairly urban area where 80% of the State's 2.6 million population live along the Wasatch Front (a 100 mile strip 5 to 15 miles wide) and the vast rural areas, basically, we believe the local communities should be allowed to determine and prioritize their needs. However, there may be one or two significant homeless programs, such as "housing first" for the chronically homeless, that would benefit from a set aside.

RESPONSE TO WRITTEN QUESTIONS OF SENATOR DODD FROM LINDA GLASSMAN

Q.1. HUD uses the Community Development Block Grant (DCBG) formula to determine the allocation of its competitive homelessness assistance grant. As we are all aware, there is no basis in either statute or regulation for using the CDBG grant formula in this manner.

I would like you to comment on how well you believe the CDBG measures either the incidence or severity of homelessness among communities?

A.1. Until the Homelessness Management Information System (HMIS) becomes fully operational in communities nationwide, the Community Development Block Grant formula is the best available proxy for determining the incidence and severeity of homelessness.

Q.2. One thing, I believe that we have heard from many of today's witnesses, is that the nature of homelessness differs greatly by community. I want to ask if you can briefly comment on whether Congress should be setting up set-aside for specific homeless populations or whether local communities should be free to determine their own needs and priorities.

A.2. In order to address homelessness nationwide, research indicates that some emphasis on "chronic" homelessness is warranted. S. 1518 is crafted with considerable latitude to focus on other homeless populations, especially after the demonstrated needs of chronically homeless people have been met. In addition, the legislation allows rural areas to identify and address their specific needs.

Additional Material Supplied for the Record

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July 30, 2007

Senator Chris Dodd, Chairman
Committee on Banking
U.S. Senate
Washington, DC 20510

Senator Richard C. Shelby
Ranking Member
Committee on Banking
U.S. Senate
Washington, DC 20510

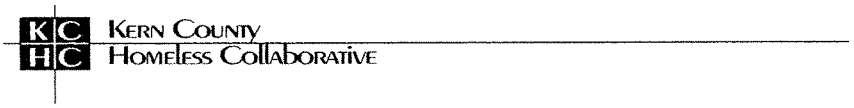
Dear Chairman Dodd and Ranking Member Shelby:

Thank you for considering S.1518, the Community Partnership to End Homelessness Act. Homes In Partnership, Inc is in support of this bill; we have been in business for over 32 years and are committed to addressing this issue as well.

We are very pleased that S. 1518 provides new methods and resources for homeless people in rural America. We are very supportive of the modification of the Rural Homeless Assistance Grant Program to create the new Rural Housing Stability Assistance Program. The new program can help local rural organizations such as ours as we work to address and prevent homelessness.

Sincerely,

H. Lewis Kellom
Executive Director
Homes In Partnership, Inc.



07.17.07

Senator Christopher J. Dodd, Chairman
Senate Committee on Banking, Housing and Urban Affairs
534 Dirksen Senate Office Building
Washington, D.C. 20510

Re: S. 1518

Honorable Senator Christopher Dodd:

The Kern County Homeless Collaborative is an unincorporated association of nonprofit homeless service providers in Kern County, California. A recent US Interagency Council on Homelessness e-newsletter focused on the testimony presented on the McKinney-Vento Reauthorization and Consolidation bill now before this Senate Committee. This correspondence is supportive of many of the concepts described in that article.

The reauthorization of the McKinney-Vento legislation is vitally important. S. 1518 affords us the opportunity to implement lessons learned over the last twenty years. The consolidation of programs will allow for greater flexibility to design and fund successful proven strategies to end homelessness. A continued focus on chronically homeless persons who consume a far greater share of resources will ensure that limited public dollars are used to maximum effect and impact. Finally, a new focus on prevention is critical to reduce the number of precariously housed individuals and families who become homeless.

We support the requirement that HUD provide incentives to communities to use proven research-based strategies to end homelessness. Over the last several years we have observed application scoring rubrics and "moving target" funding thresholds actually create obstacles and disincentives to the development of affordable and supportive housing. These features have ultimately resulted in reduced overall funding and have even threatened the ability of some communities to address homelessness. Please ensure that application scoring rubrics and cutoff points are fair and equitable and no longer present obstacles and disincentives to implementing key federal objectives such as developing permanent affordable and supportive housing, outreach, and prevention.

We support the concept of rapid rehousing. This is a proven concept not just for families but for many sectors of the homeless population. The research shows that rapid rehousing of families keeps them intact and ensures brighter futures for both adults and children. Rapid rehousing of chronically homeless individuals would result in significant local, state and national system savings.

We also applaud the one-year, non-competitive renewal of permanent housing for individuals with disabilities (30% of total funds nationally) and permanent housing for families with children (10% of total funds nationally), providing that compliance with appropriate standards and continuing need is demonstrated by the applicant.

We urge you to support this bill and work to ensure that the House and Senate pass this measure with these key features in this term. Thank you for your consideration of these important issues.

Sincerely,

Bonita Steele

Bonita Steele, Chair
Kern County Homeless Collaborative

Cc: US Senator Barbara Boxer
US Senator Diane Feinstein
US Representative Jim Costa
US Representative Kevin McCarthy

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Senator Chris Dodd
Chairman
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Senator Richard C. Shelby
Ranking Member
Committee on Banking
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Washington, DC 20510

Dear Chairman Dodd and Ranking Member Shelby:

Thank you for considering S. 1518, the Community Partnership to End Homelessness Act. The Oswego Housing Development Council, Inc. is a small not for profit that serves all of Oswego County in Upstate New York. We are a full service agency providing counseling services, administering grant programs and managing small apartment complexes. The Council is also a member of COACH, a consortium of concerned citizens and service providers that have been working for several years to develop a Continuum of Care to serve Oswego County. We are very pleased that S. 1518 provides new methods and resources for homeless people in rural America. We are very supportive of the modification of the Rural Homeless Assistance Grant program to create the new Rural Housing Stability Assistance program. The new program can help local rural organizations such as ours as we work to address and prevent homelessness.

Sincerely,

Roxanna K. Gillen
Executive Director

EQUAL HOUSING

Mike Lowry
3326 Park North
Renton, WA 98056

September 13, 2007

The Honorable Christopher Dodd
United States Senate
448 Russell Building
Washington, DC 20510

Dear ~~Mr. Chairman~~ Chris:

Thank you for your leadership on the Community Partnership to End Homelessness Act. I am now on the Board of the National Alliance to End Homelessness and also the governing board of the Committee to End Homelessness in King County (Seattle). We support strongly your work on this Act and I look forward to hearing of its successful passage.

My best to you,

Mike Lowry

Mike Lowry
Former Member of Congress
Former Governor, State of Washington

National Alliance to
END HOMELESSNESS

www.endhomelessness.org
IMPROVING POLICY | BUILDING CAPACITY | EDUCATING OPINION LEADERS

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September 13, 2007

The Honorable Christopher Dodd
United States Senate
448 Russell Building
Washington, DC 20510

Dear Chairman Dodd:

On behalf of the National Alliance to End Homelessness (the Alliance), I am writing to offer our unequivocal support for the Community Partnership to End Homelessness Act (CPEHA), S. 1518. The bill would reauthorize the McKinney-Vento Homeless Assistance Act, the primary federal funding source that supports communities in their efforts to prevent and end homelessness. Over the last several years, we have learned from service providers, homeless people, and government officials all over the country about ways to improve the McKinney programs.

CPEHA does just that, maintaining the best aspects of the McKinney Act while also making important changes. The bill consolidates HUD's three main competitive grant programs into one, easing the burden on communities and adding efficiency to the process; focuses on outcomes and rewards communities that show reductions in homelessness; and, importantly, it increases communities' ability to prevent families and individuals from becoming homeless in the first place. The bill also greatly benefits rural areas by allowing them to apply for funding under a simplified process and granting them more flexibility. Simply put, we at the Alliance believe the Community Partnership to End Homelessness Act is exactly what should happen with the reauthorization of the McKinney Act.

Every night, 750,000 people experience homelessness in this country. Now is the time to move forward with ending this national tragedy, and the Community Partnership to End Homelessness Act, S. 1518, is a giant step in the right direction. We are most grateful for your strong commitment to this critical issue, and we continue to look forward to working with you in moving this important legislation forward.

Sincerely,

Nan Roman
President and CEO

CONNECTICUT COALTION TO END HOMELESSNESS
www.cceh.org
77 BUCKINGHAM STREET
HARTFORD, CONNECTICUT 06106
(860) 721-7876 FAX (860) 257-1148

September 14, 2007

Dear Senator Dodd:

I am writing to ask you to support and move the Community Partnership to End Homelessness Act (CPEHA) legislation (S1518.)

CPEHA will improve the McKinney-Vento program and make it a stronger program for ending homelessness in our state and local communities. Families with children will benefit most from the changes in CPEHA. The bill places the focus on affordable housing and the supportive services that are often needed to keep families together.

Some key provisions in the CPEHA legislation (S. 1518) include:

- Allows communities to pay for permanent housing for any homeless person, eliminating the requirement for permanent housing that the homeless person have a disability;
- Establishes a new prevention program to serve people who have moved frequently for economic reasons, are doubled up, are about to be evicted, live in severely overcrowded housing, or otherwise live in an unstable situation that puts them at risk of homelessness;
- Includes families in the definition of "chronically homeless," allowing communities to use money from the chronic homelessness bonus for families as well as individuals as long as other criteria are met;

I appreciate your support of our efforts to end homelessness across the country and in Connecticut and once again urge you to support and move the Community Partnership to End Homelessness Act (CPEHA) legislation (S1518.)

Sincerely,

Carol Walter
Executive Director

September 14, 2007

The Honorable Christopher Dodd
Senate Committee on Banking, Housing and Urban Affairs
534 Dirksen Senate Office Building
Washington, DC 20510

Dear Chairman Dodd:

The Local Initiatives Support Corporation (LISC) and its affiliate, the National Equity Fund (NEF), strongly support S.1518, the Community Partnership to End Homelessness Act (CPEHA). Over the last twenty years, NEF has invested $1 billion of its $5.5 billion national portfolio in affordable supportive housing projects focused on the needs of the chronically homeless, the mentally ill and the physically disabled. This commitment to supportive housing has been a key factor in proving to institutional investors that these investments in supportive housing are competitive with other affordable housing investments.

LISC and NEF work with partners to end homelessness all over the country in urban, suburban and rural areas. McKinney-Vento funds are critical to the success of homeless projects due to the flexibility in uses and the ability to leverage private funds. We commend your efforts to streamline and improve the McKinney-Vento Homeless Assistance Act. We are confident that the modifications proposed in S. 1518 will produce a larger and more efficient base of homeless housing across the country.

We sincerely appreciate your efforts to bring focus to the housing needs of our homeless neighbors.

Sincerely,

Benson F. Roberts
Senior Vice President for Policy and Program Development
Local Initiatives Support Corporation

Cc: Senator Jack Reed, United States Senate

COLUMBUS HOUSE INC

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Case Management Dept:
203.773.9673
Fax: 203.773-1430

September 13, 2007

Senator Christopher Dodd
Dirksen Building
Washington, D.C. 20510

FAX: 202-224-2080

Dear Senator Dodd,

I am writing about the reauthorization of McKinney Vento, S 1518, in hopes to address some of the issues regarding the expansion of the definition of homelessness under this bill.

While I am an advocate for people who are at risk of becoming homeless, and it is within the very mission of Columbus House to serve those folks, I am not an advocate for expanding the definition of homelessness under the McKinney Vento bill.

New Haven has been successful over the years in its application to HUD, under the McKinney Vento bill, for funding for housing and services for people who are homeless. Today, we have reached our pro-rata share, and have taken advantage of every opportunity to secure bonus dollars for new housing. In fact, because of the limitations in funding, in this years' NOFA application, we were only able to apply for 4 new Shelter Plus Care certificates that will enable people who are chronically homeless to have safe, affordable housing with services attached. We live in a city that at last count had over 600 people homeless people on a single, given night. It is obvious, then, that McKinney Vento funds cannot fully support the number of people who are truly homeless under the current definition. To expand the definition to include people at risk, there would be millions more who are considered "homeless". Clearly, this is not a reasonable position.

Columbus House currently provides services to 63 individuals in permanent supportive housing, individuals who were once chronically homeless. We rely on Shelter Plus Care Certificates and Section 8 certificates to support people who are most vulnerable. Expanding the definition of homeless will make it even more difficult to secure the resources for this population. Again, limited to 4 or 5 new S+C certificates a year makes access to housing challenging, at best.

The answer then is not to stretch a limited pool of funds even further, which expanding the definition would do, but to utilize existing programs such as Section 8 Housing Voucher Program, to create new resources to address issues of prevention and to expand current funding streams such as McKinney Vento.

I appreciate your consideration of this issue. If you have questions, I would be happy to speak with your or your staff.

Sincerely,

Alison Cunningham
Executive Director

Corporation for Supportive Housing
120 Church Street, Suite 320
New Haven, CT 06510
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www.csh.org

September 14, 2007

Senator Christopher Dodd, Chairman
Senate Committee on Banking, Housing, and Urban Affairs
534 Dirksen Senate Office Building
Washington, DC 20515
FAX: (202) 224-5137

Dear Senator Dodd:

As the Director of the Corporation for Supportive Housing in Connecticut, I am writing to express my support of S. 1518, the Community Partnership to End Homelessness Act.

For over a decade, HUD's McKinney-Vento Homeless Assistance Grants have been the single most important funding source for creating new and sustaining existing permanent supportive housing. Permanent supportive housing is a proven strategy for ending homelessness among individuals and families who are homeless long-term or repeatedly or whose needs often result in frequent and often inefficient use of public systems. CPEHA codifies a 30% set aside for permanent housing for all homeless people with disabilities and puts such housing on solid financial footing with reliable renewal funding. Connecticut CSH and your constituents throughout the state have been successfully using the HUD McKinney-Vento funds provided by the current 30% set aside to develop permanent housing. We therefore strongly support the inclusion of this provision in CPEHA.

CPEHA also acknowledges the limitations of the McKinney-Vento Homeless Assistance program and takes important steps to encourage investment through mainstream programs. Given the limited resources available through McKinney-Vento, priority for eligibility should be reserved for those living in locations not meant for human habitation, such as shelters or the streets. Expanding the definition of homelessness, which has been proposed in other legislation, without additional resources to meet the needs of as many as 10 million individuals who could become eligible, could have serious unintended consequences, including diversion of McKinney-Vento funds for programs other initiatives are intended to tackle. A meaningful dedication of mainstream resources could accomplish more than modification of HUD's definition of homelessness.

Moreover, CPEHA would create a new grant program to fund relocation, stabilization, rental assistance, and supportive services for families and

CSH HELPS COMMUNITIES CREATE PERMANENT HOUSING WITH SERVICES TO PREVENT AND END HOMELESSNESS.

individuals precariously housed or at risk of homelessness. Although this program will not meet the full extent of the need for such assistance, it represents a thoughtful approach to those living in doubled-up or unstable situations. We also strongly support another important initiative to prevent homelessness, the National Housing Trust Fund, which would further the goal of preventing homelessness by investing in the development of affordable housing.

Further, rural communities would have expanded opportunities to compete for funding. CPEHA would allow rural continuums of care to compete with other rural communities, rather than urban centers.

Thank you for your ongoing legislative leadership to end homelessness. We believe that CPEHA's focus on permanent supportive housing for individuals and families in greatest need, as well as its emphasis on prevention, will allow Connecticut to address homelessness more effectively.

Sincerely,

John W. Rowland
Director, Connecticut Program
Corporation for Supportive Housing

50 Houston Street
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(617) 266-4343 Fax

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www.tacinc.org

September 14, 2007

The Honorable Christopher Dodd
448 Russell Building
Washington, DC 20510

Dear Senator Dodd:

The Technical Assistance Collaborative (TAC) is writing to express our strong support for the Community Partnership to End Homelessness Act of 2007 (S.1518). As an organization that works to achieve positive outcomes for people who are homeless, people with disabilities, and people with other special needs, TAC understands the needs such populations face in achieving affordable, safe housing.

TAC concurs with the National Alliance to End Homelessness and other advocates in their endorsement of S.1518. By allocating thirty percent of the total national funds for permanent housing for individuals with disabling conditions or families headed by a member with a disabling condition, S.1518 ensures many more people will have the benefit of affordable, safe housing.

Communities face many challenges when trying to alleviate homelessness. Because S.1518 consolidates the Supportive Housing Program, Shelter Plus Care, and Moderate Rehabilitation/Single Room Occupancy, into one program, communities will have greater flexibility in developing their programs.

The Community Homelessness Prevention and Housing Stability Program, which allows funds to be spent for short to medium-term housing assistance, housing relocation and stabilization, and supportive services; permits communities to serve people on the brink of homelessness. This approach enables communities to relieve the strain on emergency and transitional shelters.

We thank you for your leadership on this important issues and look forward to the enactment of the Community Partnership to End Homelessness Act of 2007.

Sincerely,

Ann O'Hara
Associate Director

National AIDS Housing Coalition, Inc.
727 15th St., NW, 6th Floor
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www.nationalaidshousing.org

OFFICERS
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AIDS Housing Corporation
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Connecticut AIDS Residence Coalition
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Aaron Riley, Second Vice President
Columbus Coalition for the Homeless • Columbus, OH
Linda Glassman, Secretary
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Kathie Hiers, Treasurer
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Bailey House • New York, NY
Nan Roman
Northwest Miami-Dade Legal Assistance
Washington, DC

STAFF
Nancy Bernstine
Executive Director

September 13, 2007

Honorable Christopher Dodd
Chairman
Senate Banking Committee
Washington, DC 20510

Senator Dodd:

The National AIDS Housing Coalition (NAHC) is a national non-profit housing organization working to expand resources for housing for people with HIV/AIDS in communities nationwide. NAHC strongly supports the Community Partnership to End Homelessness Act (S. 1518) and urges its prompt consideration and enactment.

Research documents that homelessness is a major risk factor for HIV, and HIV is a major risk factor for homelessness. About half of the nearly half-million people with HIV/AIDS need some form of housing assistance. Up to 60% of persons with HIV/AIDS have had an experience of homelessness or unstable housing at some time during their illness. Stable housing provides the best hope for positive health outcomes for people coping with the debilitating and impoverishing affects of HIV. Moreover, housing plays an incontrovertible role in positive community health outcomes by its role in preventing the spread of the virus.

The Community Partnership to End Homelessness Act strikes a balance between retaining what has worked well in existing programs and proposing needed changes to better facilitate local efforts to end homelessness. We are particularly encouraged by three positive aspects of the legislation: First, increased emphasis on prevention and rehousing activities will enable individuals and families homeless but not in need of ongoing supportive services to be stably housed while awaiting permanent housing. Secondly, the Rural Housing Stability Program will provide rural communities with the flexibility required to address their unique challenges. Finally, the shifting of renewal funding for permanent supportive housing programs to the Section 8 account will free up McKinney-Vento money to be used to serve additional homeless individuals and families rather than being consumed by funding renewals.

CPHEA's other significant features include the shift away from one-size- fits-all to evidence-based approaches and greater flexibility for communities with concomitant increase in accountability for measurable performance outcomes.

We look forward to working with anticipation to the many, many improvements to the current homeless assistance programs promised by the Community Partnership to End Homelessness Act and we look forward to working with you towards its prompt enactment.

Sincerely yours,

Nancy Bernstine
Executive Director

MISSION
NAHC works to advance the creation, development, management, and growth of housing for persons living with HIV/AIDS in our communities.

September 14, 2007

The Honorable Christopher Dodd
Chairman
Committee on Banking, Housing and Urban Affairs
United States Senate
448 Russell Building
Washington, DC 20510

Dear Chairman Dodd:

On behalf of the National Housing Conference (NHC), I am writing in support of the *Committee Partnership to End Homelessness Act* (S. 1518), a critical piece of legislation in America's continued fight against homelessness.

The National Housing Conference is a nonprofit 501(c) (3) membership association dedicated to advancing affordable housing and community development causes. A membership drawn from every industry segment forms the foundation for NHC's broad, nonpartisan advocacy for national policies and legislation that promote suitable housing in a safe, decent environment across the nation.

The *McKinney-Vento Homeless Assistance Act of 1987* (McKinney-Vento) is currently one of the strongest tools available to prevent and reduce homelessness. The *Committee Partnership to End Homelessness Act* builds upon the past successes and challenges of McKinney-Vento's housing titles and creates programs that are more flexible, performance-based and accountable.

As defaults and foreclosures rise across the country and the number of rent burdened low- and moderate-income families increase; now more than ever, a stronger Mc-Kinney Vento is needed to prevent these vulnerable populations from entering homelessness. As such, we strongly urge your support of this bill.

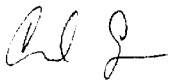
In particular, we believe that the *Committee Partnership to End Homelessness Act* will improve McKinney-Vento in several very important ways. This legislation:

- Increases attention to prevention and housing stability that would help individuals who are living doubled up or in other precarious situations become stable and avoid homeless;
- Provides incentives to promote strategies that are proven to end homelessness, including permanent supportive housing for chronically homeless people and rapid rehousing for homeless families;
- Includes performance-based funding criteria to improve factors such as performance and leveraging;
- Creates a more prominent role for Collaborative Applicants to lead and oversee homelessness funding; and

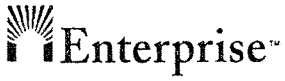
- Provides increased flexibility for rural areas, which need an application process more streamlined and consistent with the capacities of rural homelessness programs.

Expanding and improving McKinney-Vento through the *Community Partnership to End Homelessness Act* is imperative to strengthening HUD's role in preventing and eradicating homelessness. The National Housing Conference appreciates the opportunity to submit these comments and hopes that Congress takes into consideration the consequences at stake. If further information would be helpful, please feel free to contact me.

Sincerely,



Conrad E. Egan,
President and CEO



September 14, 2007

The Honorable Christopher Dodd, Chairman
Committee on Banking, Housing, and Urban Affairs
United States Senate
Washington, DC 20510

Dear Chairman Dodd:

Enterprise Community Partners, Inc. strongly supports S. 1518, the Community Partnership to End Homelessness Act, which makes important improvements in our nation's efforts to eliminate homelessness. This bill aims to make HUD's homeless assistance programs more flexible, performance-based and accountable, while serving more families in need. We urge you and the other members of the Senate Banking Committee to expedite the passage of this critical legislation.

A national non-profit organization, Enterprise is a leading provider of the development capital and expertise it takes to create decent, affordable homes and rebuild communities. For 25 years, Enterprise has pioneered neighborhood solutions through public-private partnerships with financial institutions, governments, community organizations and others that share our vision. Enterprise has raised and invested $8 billion in equity, grants and loans and is currently investing in communities at a rate of a $1 billion a year.

In 2004, Enterprise and the Corporation for Supportive Housing (CSH) launched the Supportive Housing Investment Partnership to leverage the strengths of each organization toward the goal of increasing investments in supportive housing at the local, state and national level. This initiative will generate over $400 million in investment to produce more than 9,000 homes linked to services for people with special needs by 2009. Enterprise has also partnered with Fannie Mae on a $100 million fund to help increase the supply of permanent supportive housing nationally.

More than 200 cities and counties have adopted plans to end chronic homelessness within ten years, generating new momentum for efforts to provide housing for all Americans. Many of these plans promote supportive housing as a strategy and make new commitments to fund and coordinate services linked to housing for people with special needs. To succeed, these communities need federal resources that complement and enhance their efforts.

The Community Partnership to End Homelessness Act would better equip communities to combat homelessness by providing these essential resources. Importantly, by consolidating existing programs, instituting performance-based

ENTERPRISE COMMUNITY PARTNERS, INC.
10 G Street NE • Suite 450 • Washington, DC 20002 • 202.842.9190 • www.enterprisecommunity.org

funding criteria and creating an accountability structure, this bill will ensure that federal resources are effectively leveraged.

Enterprise commends you for your efforts to eliminate homelessness in this country. Please call upon us if we can provide additional information or assistance.

Sincerely,

Doris W. Koo
President and Chief Executive Officer
Enterprise Community Partners, Inc.

Cc: Senator Jack Reed

Housing Assistance Council
1025 Vermont Ave., NW, Suite 606, Washington, DC 20005, Tel.: 202-842-8600, Fax: 202-347-3441, E-mail: HAC@ruralhome.org
Web site: www.ruralhome.org

September 13, 2007

Senator Chris Dodd
Chairman
Committee on Banking
U. S. Senate
Washington, DC 20510

Dear Chairman Dodd:

The Housing Assistance Council supports S. 1518, the Community Partnership to End Homelessness Act. We are very pleased that S. 1518 provides new methods and resources for homeless people in rural America.

We are very supportive of the modification of the Rural Homeless Assistance Grant program to create the new Rural Housing Stability Assistance program. The new program can help local rural organizations as they work to address and prevent homelessness.

Sincerely,

Moises Loza
Executive Director

Building Rural Communities

Southeast Office
600 West Peachtree St., NW
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Midwest@ruralhome.org

HAC is an equal opportunity lender

September 13, 2007

The Honorable Christopher Dodd
U.S. Senate
44 Russell Senate Office Building
Washington, DC 20510
ATT: Jenn Fogel-Bublick

Dear Senator Dodd:

I am writing on behalf of the Partnership for Strong Communities to ask you to support and move the Community Partnership to End Homelessness Act (S1518.) The State of Connecticut is a national leader in systemically planning and implementing an end to homelessness, and this legislation is critical.

As it is currently drafted, CPEHA will improve the McKinney-Vento program making it stronger as a tool for ending homelessness communities throughout Connecticut and the nation. Families with children will benefit most from the changes in CPEHA. The bill places the focus on affordable housing and supportive services that are often needed to assist very low income families that have been fractured by homelessness.

Some key provisions in the CPEHA legislation (S. 1518):

- Allows communities to pay for permanent housing for any homeless person, eliminating the requirement that the homeless person have a disability;
- Establishes a new prevention program to serve people who have moved frequently for economic reasons, are doubled up, are about to be evicted, live in severely overcrowded housing, or otherwise live in an unstable situation that puts them at risk of homelessness;
- Includes families in the definition of "chronically homeless," allowing communities to use money from the chronic homelessness bonus for families as well as individuals as long as other criteria are met;

I appreciate your leadership of the Senate Banking Committee to address the housing affordability needs of all Americans and your continued support of our efforts to end homelessness across the country and in Connecticut. I urge your support and action on the Community Partnership to End Homelessness Act (CPEHA) legislation (S1518.)

Sincerely,

Diane Randall

Diane Randall
Director

227 Lawrence Street ○ Hartford, CT 06106 ○ Tel: 860.244.0066 ○ Fax: 860.247.4320

www.ctpartnershiphousing.com

July 27, 2007

Hon. Chris Dodd, Chairman
Committee on Banking, Housing, and Urban Affairs
United States Senate
Washington, DC 20510

Hon. Richard C. Shelby, Ranking Minority Member
Committee on Banking, Housing, and Urban Affairs
United States Senate
Washington, DC 20510

Dear Chairman Dodd and Ranking Member Shelby:

We write to express our strong support for S. 1518, the Community Partnership to End Homelessness Act, and to urge you to pass it out of the Banking Committee at the markup scheduled for August 1.

This bill makes important improvements in our nation's efforts to eliminate homelessness. It does so in a careful manner that balances many competing demands. This bipartisan bill's important provisions include:

- Making many more homeless families eligible for housing assistance and the supportive services needed to stabilize housing
- Providing increased assistance to families and others who are doubled up or otherwise in unstable, difficult housing situations, before they end up in shelters or on the streets.
- Retaining and improving the focus on performance and solutions to the problem of homelessness
- Providing significant new help to rural areas.

We would like to especially stress the fourth point. Many rural areas have had a difficult time accessing funds from HUD's homeless programs, due to the complicated requirements of developing an entire system for addressing homelessness. This bill creates a separate rural component, with a much simpler process and where rural areas compete only against rural areas. These provisions are ideally crafted to give rural areas a fair chance to receive funding appropriate to their needs.

We strongly urge you to pass S. 1518, without major changes that would unbalance the bill.

Sincerely yours,

Consortium for Citizens with Disabilities Housing Task Force
Corporation for Supportive Housing
Enterprise Community Partners

Habitat for Humanity
Housing Assistance Council
Local Initiatives Support Corporation
National AIDS Housing Coalition
National Alliance on Mental Illness
National Alliance to End Homelessness
National Association of Counties
National Association of Local Housing Finance Agencies
National Community Development Association
National Housing Conference
National League of Cities
National Low-Income Housing Coalition
U.S. Conference of Mayors

July 30, 2007

Senator Chris Dodd
Chairman
Committee on Banking
U. S. Senate
Washington, DC 20510

Senator Richard C. Shelby
Ranking Member
Committee on Banking
U. S. Senate
Washington, DC 20510

Dear Chairman Dodd and Ranking Member Shelby:

The undersigned rural housing organizations and advocates support S. 1518, the Community Partnership to End Homelessness Act. We are very pleased that S. 1518 provides new methods and resources for homeless people in rural America.

We are very supportive of the modification of the Rural Homeless Assistance Grant program to create the new Rural Housing Stability Assistance program. The new program can help local rural organizations such as ours as we work to address and prevent homelessness.

Sincerely,

Rural Community Assistance Corp.	Sacramento, CA
South County Housing	Gilroy, CA
NCALL Research	Dover, DE
Housing Assistance Council	Washington, DC
Big Cypress Hsg. Corp	Florida City, FL
Everglades Community Asssoc.	Florida City, FL
Florida Nonprofit Housing	Sebring, FL
Everglades Hammock Inc.	Florida City, FL
Little Manatee Hsg. Corp	Florida City, FL
Federation of Appalachian Hsg. Entprs.	Berea, KY
Frontier Housing	Morehead, KY
Western Maine Commnty. Action	East Wilton, ME
Franklin County Regional Hsg & Redevel.	Turners Falls, MA
Rural Development, Inc.	Turners Falls, MA
Shelburne Housing Authority	Shelburne Falls, MA
RCAP Solutions	Winchendon, MA

Missouri Rural Crisis Center	Columbia, MO
Chautauqua Home Rehab & Improv Corp.	Mayville, NY
Housing Resources of Columbia Co.	Hudson, NY
Rural Opportunities Inc.	Rochester, NY
John Clay	Hugo, OK
People Inc. of SW Virginia	Bristol, VA
Homes for Islanders	Friday Harbor, WA

cc:
Sen.Tim Johnson
Sen. Jack Reed
Sen. Chuck Schumer
Sen. Evan Bayh
Sen. Tom Carper
Sen. Robert Menendez
Sen. Daniel K. Akaka
Sen. Sherrod Brown
Sen. Robert P. Casey, Jr.
Sen. Jon Tester
Sen. Bob Bennett
Sen. Wayne Allard
Sen. Michael B. Enzi
Sen. Chuck Hagel
Sen. Jim Bunning
Sen. Mike Crapo
Sen. John E. Sununu
Sen. Elizabeth H. Dole
Sen. Mel Martinez

September 13, 2007

The Honorable Chris Dodd
Chairman, Committee on Banking, Housing and Urban Affairs
United States Senate
534 Dirksen Office Building
Washington, DC 20510

Dear Chairman Dodd:

On behalf of the 210,000 members and 1,200 affiliates of the National Alliance on Mental Illness (NAMI), I am writing to express our support for the Community Partnership to End Homelessness Act of 2007 (S 1518). As the nation's largest organization representing people with severe mental illness and their families, NAMI is proud to support this important legislation to reauthorize and strengthen the federal response to chronic homelessness.

As you know, individuals living with severe mental illness and co-occurring substance abuse disorders are disproportionately represented among the chronic homeless population. In NAMI's view it is critical that programs under the federal McKinney-Vento Homeless Assistance Act continue to help states and localities address the needs of the homeless population and invest in strategies that ending homelessness.

S 1518 makes important improvements in McKinney-Vento and does so in a careful manner that balances many competing demands. Most importantly, the bill continues to hold states and localities accountable for directing federal homeless funds to the most difficult and complex individuals that experience long-term homelessness. It also continues the important investment in effective strategies for ending chronic homelessness, permanent supportive housing. S 1518 also provides significant new help to rural and frontier areas and allows them to fairly compete for limited federal resources. S 1518 creates a new separate rural component, with a much simpler process and where rural areas compete only against rural areas. These provisions are ideally crafted to give rural areas a fair chance to receive funding appropriate to their needs.

This legislation represents an important bipartisan agreement. NAMI would urge you and your colleagues on the Banking Committee to move it forward to the full Senate as soon as possible. Thank you for your support in addressing the complex issue of homelessness and mental illness.

Sincerely,

Michael J. Fitzpatrick, M.S.W.
Executive Director

NATIONAL ALLIANCE ON MENTAL ILLNESS
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CONSORTIUM FOR CITIZENS WITH DISABILITIES

September 13, 2007

The Honorable Chris Dodd
Chairman, Committee on Banking, Housing and Urban Affairs
United States Senate
534 Dirksen Office Building
Washington, DC 20510

Dear Chairman Dodd:

On behalf of the Consortium for Citizens With Disabilities (CCD) Housing Task Force, we are writing to express our support for the Community Partnership to End Homelessness Act of 2007 (S 1518). The CCD Housing Task Force is a coalition of national organizations representing people with disabilities, their families, service providers and advocates. Among the groups participating in the CCD Housing Task Force are Easter Seals, the Arc, United Cerebral Palsy, National Alliance on Mental Illness, the National Disability Rights Network and the United Spinal Association.

The CCD Housing Task Force supports S 1518 and the important improvements it would make federal policy aimed to helping states address homelessness and bring an end to chronic homelessness. This bipartisan legislation makes important steps forward to help states and localities address the needs of people with disabilities who experience homelessness.

S 1518 also maintains the current commitment of the McKinney-Vento programs to invest in permanent housing that is targeted to people with disabilities caught in the tragic and costly trap of chronic homelessness. It also reinforces the federal commitment to renewing rent subsidies associated with permanent housing units that states and localities have already put in place. Finally, S 1518 would foster great responsibility and collaboration among states and localities in overseeing homeless funding and achieving outcomes.

S 1518 represents an important bipartisan agreement. We are especially

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grateful for the leadership of Senators Jack Reed of Rhode Island and Wayne Allard of Colorado in bringing this legislation forward. We urge you and your colleagues on the Banking Committee to move it forward to the full Senate as soon as possible.

Sincerely,

CCD Housing Task Force Co-Chairs

Kathy McGinley
National Disability Rights Network

Liz Savage
The Arc-United Cerebral Palsy Disability Policy Collaborative

Andrew Sperling
National Alliance on Mental Illness

City and County of San Francisco
Local Homeless Coordinating Board

August 27, 2007

Dear Senator Dodd,

The San Francisco Continuum of Care (CoC), known as the Local Homeless Coordinating Board, has paid close attention to versions of the McKinney Vento Homeless Assistance Reauthorization Bills that have been proposed in the last year. San Francisco appreciates the time and effort that members of Congress put towards ending homelessness in America. We are especially pleased to see efforts towards reauthorization of the McKinney Bill. As a community of homeless service providers, advocates, government officials, and homeless persons we want to provide our input on this very important piece of legislation. The reauthorization and the legislative language of current and past bills were discussed at numerous community meetings culminating in a four-hour workshop where community members, directly affected by the McKinney-Vento Act, made recommendations on the language of the CPEHA and HEARTH bills along with creating language not currently present in any version. These recommendations were then presented to our Continuum of Care leaders who unanimously voted to approve those outlined below.

What should the money be used for?

- All versions of the Bill expand eligible activities. We approve and appreciate the expansion.
- Education and transportation should also be eligible uses of the grant funds. San Francisco CoC also believes there should be additional funds added to the McKinney Education Grant. However, until those funds are increased, CoC funds should be available for the education of homeless children.
- It is important to the San Francisco CoC that all support services be eligible for funding regardless of whether it is connected or not connected to housing.
- The San Francisco CoC recommends that there should not be a time limit on funding support services, as mentioned in CPEHA. However, the bill should include legislative language that advocates for mainstream services to increase funding and increase accessibility to the homeless. San Francisco CoC requests that Congress conduct a needs assessment on homeless services so mainstream programs can see how great the need is for these services and for these mainstream programs to help solve the problem. This includes the need for increased federal funding to support affordable housing for all those in need.
- Administrative funding should reflect the reality of our service providers and sufficiently support the increased administrative mandates placed on the collaborative applicant. We recommend a minimum of a 10% administrative increase in ADDITION to the funding that already exists.
- Remove statutory and regulatory barriers to community spending or funding reallocation. For example: 1) what is currently called Supportive Housing Program funds need to match with tax credit projects without undermining the tax benefit to investors; 2) projects which had used their funds to buy, build or rehabilitate housing currently have 20-year covenants to HUD promising to continue to use their project to benefit homeless people for the duration – if the project is no longer beneficial, the covenant should be forgiven if, for example, the community invests a like sum in developing new permanent housing without using HUD CoC funds; and 3) programs and the CoC should be permitted to reallocate funds to meet

community priorities (not just to new permanent housing) without losing funding value (e.g. before the 2007 NOFA new applications using renewal funds had to be for 2-, 3- or 5-years). In addition, the regulatory barriers and length of grant terms placed on S+C grants should be removed. The grant terms should be for 2, 3, or 5 years.

- We are pleased to see additional funds set aside for prevention programs as outlined in the CPEHA Act. We agree that additional funding is necessary; however prevention should also be an eligible activity for the original CoC funds.

Who should be considered homeless and at risk for homelessness?

- San Francisco CoC strongly agrees with including families, those doubled up, and families living in single room occupancies in the definition of who is homeless.
- Those who are "at-risk of homelessness" should also be eligible beneficiaries of funding. This includes rental subsidies for people who have housing and then are institutionalized (i.e. treatment or incarceration). Paying their rent while they are institutionalized will prevent loss of housing and possible discharge into homelessness.

What funding priorities and set-asides should there be?

- San Francisco CoC thinks that the local governments should set the priorities instead of the federal government determining funding priorities and set-asides.
- S+C should continue to operate under the renewal system as long as they are performing well. Current S+C programs only house people who are disabled, which gives priority to that population. New "rental subsidy" applications under the new law could house people experiencing homelessness irrespective of disability. Both current S+C renewals, and rental subsidy projects which will become renewals under the new law should be noncompetitively funded as long as they are performing well.

What should be the collaborative's membership and responsibilities?

- HUD should give guidelines and "best practices" on how community boards should look and operate; however let the local communities decide what works best for them.
- Any new administrative requirements should be accompanied by additional administrative funding. San Francisco feels that 3% is not enough to cover an increase in proposed administrative duties.

San Francisco greatly appreciates your continued work towards ending homelessness in America. Thank you for consideration of the above recommendations. We look forward to working with your office in the future. Please contact us with any questions.

Bobbie Rosenthal
Co-Chair of SF
Continuum of Care

Christine Ma, M.D.
Continuum of Care,
Policy Committee Chair

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August 10, 2007

Senator Chris Dodd
Chairman, Committee on Banking
U.S. Senate
Washington, D.C. 20510

Dear Senator Dodd,

Thank you for considering S. 1518, the Community Partnership to End Homelessness Act. Keuka Housing Counsel is very pleased that S. 1518 provides new methods and resources for homeless people in rural America.

Keuka Housing Council is located and serves Yates County in the rural area of the Finger Lakes in Upstate New York. In the past two years, the Yates County Housing Committee has conducted surveys to determine the number of homeless families. Both surveys concluded there were 50 homeless families in this rural area. There are no shelters, no emergency or transitional houses in Yates County. Many of the families are single parents who are working at minimum wage and are not able to feed and shelter themselves and their children.

So much needs to be done to assist these very needy families who are working to help themselves.

KHC is very supportive of the modification of the Rural Homeless Assistance Grant program to create the new Rural Housing Stability Assistance program. The new program can help local rural organizations such as ours as we work to address and prevent homelessness.

Again, thank you for your support.

Sincerely,

Kathryn W. Disbrow

Kathryn W. Disbrow
Executive Director

"Equal Housing Opportunity"
Keuka Housing Council, Inc. is an equal opportunity provider and employer.