

**Remarks of
Nan Roman
National Alliance to End Homelessness
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KANSAS STATEWIDE HOMELESS COALITION CONFERENCE
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Thank you for inviting me to join you here in Kansas. I appreciate being with you and look forward to learning much more about what you are doing.

This is really a pivotal year for our efforts to end homelessness; it is going to be a year that we really have to look at making changes, for three reasons. First, the economy and reduced public budgets mean we are going to have to do more with less. Second, we know how to do more with less because we have learned smarter ways to do things. We need to adopt new, more effective practices. Finally, we are going to be pushed by the outcome focus of the HEARTH Act and federal efforts like Opening Doors.

So we are going to have to change whether we want to or not.

To set the stage for this change, I thought today I would try to give you an overview of what is going on in terms of homelessness in the nation: What have we done recently that worked? What is the situation we face at the moment? What should we be thinking about for the future?

What have we seen nationally in the past year or more that worked? An important thing that I think we have been able to do, nationally, in the past year is a good job of showing that the homelessness system is not only meeting a need, but that it is always thinking about how to work smarter and be more outcome-driven, and is basing this increasingly on data. Our strategic positioning nationally – which is data driven and outcome-focused -- has led us to develop strong Administration support for our work. It has led to strong bi-partisan support on Capitol Hill. It has resulted in a doubling of the homeless budget; increases in the HUD homeless funding that outstrip other HUD programs every year. And communities that take this approach see the same result. The reason is that it is not just about meeting needs anymore; it is about doing it smarter. There are more needs than are going to be met, so you cannot just talk about needs; you have to explain how you are going to solve problems and be smarter.

Another big success we had in the past year was around HPRP and specifically rapid rehousing.

Re HPRP, some communities have done well – others not so well. In the latter case, communities made income eligibility levels too high (50%, not 30% or even 15%, of AMI)

and did too much prevention. So they helped needy people, but probably did not prevent any homelessness.

In terms of the successful communities, on the other hand, HPRP was really a game changer. They used it to replace a shelter system with a rehousing system. A few key elements of this were the following.

- They use a common assessment tool or central intake. This means that what a homeless person or family gets is not based on what door they walk through or what the program offers, but what they need. This, of course, requires collaboration among agencies.
- They have an infrastructure of housing locators and landlord negotiators for the community. Again, this requires collaboration.
- There is a toolbox of housing resources for them to use, including short and long term subsidies, again depending on need.
- They have targeted the hardest to serve people, and found that prevention and rapid re-housing work just fine for them, despite the claims that they would not.
- They have used their funds strategically, giving people only what they think they need to get back into housing and stay there, but not more. At the end of the day, while everyone could certainly use 18 months of rent assistance, not everyone needs it.
- For highly disabled singles, vets, etc., they have used HPRP as a bridge to more permanent subsidy.
- They spent only a modest amount on prevention, knowing that we should only use homeless money to do that when people are right at the shelter door; and that mainstream programs are really more suited to do prevention for people who have broader risk factors around deep poverty, unemployment, etc.
- They have set up a system of progressive engagement. They start with a small amount of assistance, but are ready to come in with more rent subsidy or more services if they are needed. But they do not assume that they will be.
- The community shares an understanding of what service linkages are available to people after they are housed, and mainstream systems are involved in this.

In short, they have established a homelessness *system* with a new set of tools that can improve outcomes. This is a level of coordination that goes much beyond the Continuum of Care. It is no longer shelter to transitional housing to permanent housing. It is crisis response to housing placement with linkage to services.

HPRP has had a tremendous impact, and there are opportunities to keep the momentum going moving forward. But we are going to be challenged, and that brings me to the situation we face now.

We all know that the economy has been affecting homelessness. We discussed this morning the impacts that the economy has had. Further, we know that homelessness is generally a lagging indicator. People do not lose their jobs one day and become

homeless the next; it takes time. Therefore, we have not hit bottom yet, and I fully expect to see increases in homelessness in the coming few years, although I hope I am wrong.

But perhaps the most troubling thing happening now and in the immediate future is going to be budget cuts. State governments are poised to make massive cuts; as much as \$125 billion this year. I am certainly no expert on the Kansas budget, but I understand you are facing a budget deficit, and that the governor has proposed serious cuts, although protecting Medicaid, which is very important. Still, state and local budget cuts are going to drive the numbers up.

Prior to now, state and local budget woes have been to some degree off-set by federal spending. That will not continue, as we come to the end of stimulus funding. As we all know, the proposed new 2011 budget far from making up for state cuts contains a large cut in federal spending. You heard this morning that it includes a \$40 million increase for HUD Homeless Assistance to \$1.905 billion and \$50 million more for 7,700 additional HUD VASH vouchers. I can tell you that this is a victory for the data and outcomes based case that we have made, because many programs got cut. But it is still far below what the Administration asked for. And we were not entirely victorious. We got no demonstration vouchers, a \$600 million cut to health centers, a huge cut to CDBG, flat funding for RHY. And the ambitious 2012 budget that we had hoped for and needed in order to implement HEARTH will certainly be very lean, at best. Of course, while funding for homeless programs has the most direct effect, the mainstream housing, TANF, mental health, substance abuse, foster care, etc. programs that have the potential to protect people from homelessness will also be affected, most likely resulting in more people becoming homeless. Both Democrats and Republicans seem focused on cutting spending, although there is some talk about maintaining the safety net. The one exception is veterans.

So that is the situation we face now. What do we need to be thinking about in the future?

These spending issues are not something you need to sit back idly and accept. There will be money spent, so this is about priorities and therefore about making a strong case. You are going to have to get involved in building public and political will to make homelessness a priority. We will not be able to help the people we want to help, implement new strategies, keep rehousing and prevention activities going, meet the needs of newly homeless people without public support. You will want to make sure that your elected officials know the impact of your work in the community. And you can be making the larger justice case that we as a nation simply cannot make poor people the only ones who have to pay for the US debt and deficit.

Your Senator, Jerry Moran, is a key player here, as he is a member of two Appropriations Subcommittees, the one that deals with health and human services and the one dealing

with HUD. These are the committees that make spending decisions. And your Rep. Tim Huelskamp is also on the Veterans Affairs committee in the House. It is imperative that you let them know that about the work that you are doing, and that you and your community believe that a core responsibility of government must to protect the least among us – including those who are homeless. It is important to recognize also that homelessness is an entirely bipartisan issue, and there are many Republicans and Democrats who are on board with ending homelessness. Some of our greatest leaders have been Republications, including your neighboring state’s recently retired Senator Kit Bond, who was one of our most important leaders over the past years.

So to return to our strategic thinking, if we are going to have to do more with less, what is coming down the pike and what has worked in other communities that we can use to re-tool?

First, HEARTH is coming down the pike. Now the fact that there is not enough money to fully implement HEARTH will have some effects on how fast it moves ahead, but some things will certainly happen. The new ESG with more prevention and rehousing will get some money, so that is good. Rehousing and permanent supportive housing will be incentivized. It is also important to remember that your performance will be judged on duration of homeless episodes, returns to homelessness, and the number of people who become homeless and are homeless overall. Again, the focus will be on outcomes, not need per se.

In my opinion, as we move forward the thing to do is to build on what we learned from HPRP; I think that this shows us the clearest way forward. It allows us to do more with less, to be more efficient and smarter. Everywhere, homeless families and individuals who receive HPRP are exiting homelessness with more rent subsidy than they had before when they left shelter or transitional housing and at a lower over-all cost. This is a cost-effective way to improve outcomes. I would think it would be particularly effective here in Kansas where you have so many rural areas. Also, it is perfect for veterans, to get them quickly out of shelter and transitional housing and to fill those gaps Randy talked about in terms of HUD VASH. We need to keep it going.

But the HPRP direct funding is NOT going to be renewed. To get resources to do rehousing, we will have to re-evaluate our existing homeless programs and systems and shift resources from them to new activities. And of course, transitional housing is a significant part of our existing system, and we know that many of the people in it could be helped effectively with rapid rehousing. So the focus is most likely going to be on how to use the resources invested in transitional housing more wisely.

At present, according to a report issued by HUD last year, *Costs Associated with First Time Homelessness for Families and Individuals*, transitional housing is an expensive intervention for families and individuals. Its costs per person are higher than the cost of shelter, permanent housing, or permanent supportive housing. Other research has

revealed, both that there is quite a bit of vacancy in transitional housing, nationally, and that transitional housing is often not very efficiently utilized in communities. At best it goes to any family that is referred to it regardless of that family's needs, and at worst it goes to families with the fewest needs because the programs screen out high need households.

Of course what we have learned over twenty years working on homelessness is that this might work fine for a program, but it is not good policy for a homelessness system. To end homelessness, we need to target the most intensive interventions to the people with the highest needs. And it looks as if we are doing the opposite – particularly with transitional housing for families.

Now having said all that, we know that transitional housing is not one uniform intervention. It currently comes in many shapes and sizes and contains not only committed and trained staff in established organizations, but capital infrastructure and much of the capacity we have available to help homeless people in the nation. So it is certainly not a matter of just taking money away from transitional housing and giving it to rehousing or prevention programs. We must think about how to use the full complement of resources contained in transitional housing – money, staff, capacity, organizations – smarter and about how to re-tool our transitional programs to maximally efficient uses, given what we have learned.

For example, transitional housing *can* and often does take a housing first or rapid rehousing approach. It can prioritize rehousing activities with transitional services. It can use critical time intervention and other evidence-based practices that rehouse people and connect them to mainstream services. Some places use a transition in place model which really is rapid rehousing, assuming that participants have all the right of tenants (i.e., that they are not evicted for non-compliance with services or other behaviors that would not result in eviction for other tenants). Many transitional programs already implement these practices, and others could easily do so.

Where there are dedicated buildings involved or where organizational missions remain focused on transitional experiences, we can look at targeting transitional housing to people with the highest needs and for whom a transitional intervention is proven effective (residential recovery with children, young families, homeless youth, etc.). Some facilities could be converted to permanent housing or permanent supportive housing, if they are physically appropriate for that. In the case of permanent supportive housing, only those with the most severe disabilities should be served because the cost will be high.

Even by re-focusing transitional housing in these ways, communities may be left with excess capacity. Some of this is tied up in buildings that really cannot be re-purposed for permanent housing and are not needed for transitional housing. Options for such buildings might include crisis housing, interim housing, assessment center housing, or

housing for families with reentry requirements. Again, transitional housing is an appropriate intervention for homeless youth. But in other cases, there is a lot of flexibility to take new approaches that are more efficient.

In summary, there is not going to be new money for HPRP and we are going to have to use our existing homelessness funding as efficiently as possible. Rapid rehousing helps us achieve that goal, but we will need to think about how to re-tool existing programs in order to keep doing the rapid rehousing work. This can also help us conform to the goals of HEARTH.

A second thing to do in the immediate future is learn from the success we have had to date in being effective and attracting resources and bipartisan support. Now is not the time to return to old programs for which we do not have strong evidence of effectiveness in ending homelessness. We are going to have to prove our worth in these tough times. There are lots of programs across a whole spectrum of activities that are good and meet a need. There are more needs than resources. Building a case around the needs is not going to be enough. We are going to have to go beyond meeting a need to solving problems and being able to prove that we are doing it.

And that means moving from a program to a systems approach. We have to move from, “what I do is run a program” to, “what I do is work within a system that is ending homelessness.” We have to collaborate with each other. We all need to push to make sure that a system exists, and we need to fully understand our role in it. This is beyond the Continuum of Care. It is beyond only being coordinated or checking off the boxes that the community has some shelter units, transitional units, and permanent housing units; that it has some parenting, case management, job placement, and treatment services. Rather, it means that a community can answer questions such as the following. How much of each intervention do we need and have? How does the right person get the right dose of each? From whom do they get it? How do they get assigned to it? How are they followed up on? What happens if intervention A does not work? What is intervention B? How do we know that what we are doing is working, and what works better than what else? The elements of such a system will likely include:

- centralized or coordinated intake;
- progressive engagement;
- critical time intervention;
- housing search, landlord negotiation and other real estate assistance widely available;
- flexible housing options;
- home based case management;
- data;
- attention to length of stay (remember, the goal in HEARTH is 30 days);
- linkage to mainstream; and
- many other things.

Finally we need to be much more involved in building public and political will for our work. This is not only about funding for the homeless assistance system. This is about meeting the needs of some of the state's most vulnerable people. I cannot urge you too strongly to get involved. Go to the Alliance website (www.endhomelessness.org) and sign up to get free information. Work the Kansas Statewide Homeless Coalition. Get your consumers your board involved.

To close, we have some hard work ahead and much of it will involve change. Many of you here at the conference are leading the efforts to think creatively and innovatively about systems to end homelessness. It is easy to get discouraged in these tough times, but I see a way forward through rapid rehousing and building public and political will. And, I am always reminded that homelessness IS a solvable problem. It was and remains well within our ability and resources to end it. Therefore, we should.

I am honored to be here with you and look forward to learning much more about what you are doing. I am deeply grateful for your commitment and your hard work, and the tremendously effective efforts of the Coalition. We at the National Alliance to End Homelessness look forward to working with you in the future.