

Note: The following testimony was submitted to the House Committee on General Housing and Military Affairs on March 11, 2014 and is being shared here with the Senate Committee on Economic Development, Housing and General Affairs as they consider H.791.

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Agency of Human Services

H.791: Housing; Housing First; study committee

Good Morning. My name is Angus Chaney and I serve as Director of Housing in the Agency of Human Services. Our agency strives to improve the health and wellbeing of Vermonters today and tomorrow and to protect those among us who are unable to protect themselves. The highest priority AHS housing effort is ending homelessness in Vermont.

H.791, as introduced, would create a summer study committee to examine statewide implementation of the “Housing First” model.

In the past month, the Agency of Human Services has begun exploring program and funding models to expand supportive housing opportunities for Vermonters with complex needs in areas such as health, mental health and disability. Our work builds off of a growing understanding that stable housing is a social determinant for health as well as a prudent investment in terms of diversion from homelessness and higher-cost institutional settings. We are looking to gather and analyze qualitative and quantitative data that tests this thesis in Vermont’s rural landscape so that we can responsibly move from understanding to broader implementation.

As the proposed legislative study and our agency efforts appear to follow a similar timeline and require analysis of similar in-state data and studies from outside Vermont, the Agency of Human Services proposes that the scope of H.791 be broadened to look at the impact, efficacy and cost of **Supportive Housing**, in general, of which the “Housing First” model is clearly a type.

Most studies of permanent supportive housing and housing first models are from urban areas. The realities of Vermont in 2014 require us to anticipate a number of factors that set us apart.

- A rural landscape where transportation and access to other services can pose a challenge.
- A decline in the availability of federal rental subsidies over recent years.
- Rental vacancy rates in some Vermont communities that are so low as to preclude significant expansion of a tenant-based rental model.
- Vermont’s high percentage of family homelessness.

AHS has begun to identify studies and models for evaluation. These include New York’s exploration of a Medicaid model to create new affordable housing with on-site services and a 2009 “Cost of Rural Homelessness” study from the state of Maine. There is also much

information to be analyzed from in-state sources such as SAMHSA's evaluation of Pathways Vermont and performance data from other state-funded subsidy and housing programs. We feel that merging these two studies, along with technical support from the JFO, would give all parties a better understanding of the challenges, opportunities, benefits, savings and limitations of various types of Supportive Housing.

Vermont's Plan to End Homelessness includes the following paragraph, cited from SAMHSA:

“A growing body of research demonstrates that communities save money by providing permanent supportive housing to people experiencing homelessness. In short, it is proven to be more cost effective to provide permanent supportive housing than to leave someone on the streets or in shelters. The research shows that providing housing to someone experiencing chronic homelessness results in reduced utilization of publicly funded services such as police, hospital, emergency and inpatient services, and the correctional systems.”

We would like to help contribute to that growing body of research by analyzing the following:

- Service costs of the primary service provider
- Service costs of secondary service providers
- Costs for municipalities
- Cost of creating additional housing units dedicated for this model
- Cost of providing rental subsidies

We must also acknowledge that there are health, stability and client outcomes that may be harder to put a price on but which are arguably even more important. Any analysis should strive to include qualitative measures greater than just the bottom line.

At this time, I'm happy to take any questions.