

Testimony: Senate Economic Development, Housing and General Affairs, 4/28/2020-01
Short- and Long-Term Solutions to Homelessness
Angus Chaney, Executive Director, Homeless Prevention Center (HPC)

Good Morning. My name is Angus Chaney. I'm the Executive Director of the Homeless Prevention Center. HPC is a community-based non-profit, providing housing, services, financial assistance and case management to clients in Rutland County. Last year we assisted over 500 Vermonters who were homeless or at-risk of homelessness and marked 20 years of service to our community.

The COVID-19 pandemic has placed unprecedented strain on Vermonters and the systems of care designed to support them through hardship or crisis. This is especially true for people experiencing homelessness. I am aware of no other time in our state's history that so many homeless Vermonters were sheltering in motels.

I was asked to speak about the scale of this challenge in Rutland and about a plan or solution that would support people moving from these emergency accommodations to housing, as opposed to a shelter, vehicle or the streets. Your committee is logically exploring both short and long term solutions. I'll begin by giving you a sense of the scale.

Scale

On Thursday we were able to obtain data from the Rutland district office indicating there are 155 homeless households (consisting of 186 adults and 44 children) in motels paid for by the Economic Services Division. We had already assessed and begun providing services to a number of this group and with this new information in hand are now pushing to contact the remainder of this group by the end of Friday (May 1st) and complete assessments as soon as possible thereafter.

Because we now have the ability to conduct housing assessments by phone, we will do just that, except in situations where a telephonic option is not possible for the client. All this will be in addition to continuing to provide services to 90 current clients who are either homeless, at-risk of homelessness, or receiving housing retention services to support their housing stability following lease-up.

Solutions (Short-Term)

Fortunately, HPC has a number of case management programs to offer based on how these new assessments go; including a supportive housing program for families, a housing first program for people with more complex needs, and lighter-touch prevention and rehousing programs for people whose crisis can be resolved through help with move-in costs, technical assistance or a

short-term rental subsidy. We also have a Landlord Liaison, a small housing navigation program for young adults, a transitional housing program for offenders and a small number of emergency apartment units.

When a client needs services beyond what we offer, we have partnerships and systems in place to make those connections. In our first day of assessing this new group in motels, we are pleased to see that many of the people we reached do not appear to require long-term case management, but more likely technical assistance with their housing search combined with move-in costs and/or a short-term subsidy.

Considering both the challenge and the tools we have to work with, our immediate obstacle to re-housing a group this size will be the supply of available rental units. Some of the cohort in motels do have negative rental histories or criminal charges that make it difficult for them to access subsidized housing. Other property managers with vacant units seem reluctant to go onsite to interact with prospective tenants out of health concerns. In some cases, we are able to offer increased financial incentives to landlords to motivate them to take on additional risk and can support the tenant/client with follow up case management to address underlying needs, but one result of the stay on evictions is that fewer units will be turning over.

One Solution – Multiple Benefits

In Rutland County, one of our major challenges with rental stock remains *quality*. A strategy to rapidly get offline units up to housing quality standards - and back into the rental market - would bring a host of benefits, including:

1. Homes for people currently sheltering in motels;
2. Supplemental rental income for Vermonters impacted by the COVID-19 shut down, (whether an existing landlord bringing another unit online, or a property owner becoming a landlord for the first time);
3. Needed investment in blighted neighborhoods and “ripple effect” of revitalization in nearby properties;
4. Reduction in health and safety hazards in a home and the community;
5. A scattered site model that integrates people who have experienced homelessness into multiple neighborhoods and communities as opposed to aggregating them in one setting;
6. Increase in property values for the municipality.

I would ask the committee to look at the program recently recommended by the Governor which allowed for small grants to landlords. In Rutland County, the key would be structuring these in a

way that brings vacant/un-rentable units quickly back on line. Grants are preferable to loans and ideally these will be structured in a way that landlords do not have to chase future tenants for income verification during a compliance period. I believe landlords will participate for even a relatively modest amount of funding, such as \$30,000 per unit, if the program is well marketed, structured as a grant (not a loan) and is light on red tape. That should help to reduce the cost of administration in whatever state agency these are managed from.

I'll mention that Brattleboro has had some good success with their relatively low-cost Apartments In Homes Program. There may also be some opportunity in Rutland to create more accessory dwelling units (ADUs). Both of these models should be able to create units on a faster timeline and at lower cost than conventional new construction and with a more practical end-product than a tiny house.

Long Term Strategy – Addressing Budgets – Avoiding Barriers

As the committee considers longer-term housing solutions, I would ask that you reflect on the budgets of the families we're talking about. The incomes of the Vermonters we work with are well below 30% of Area Median income. In Rutland County, this is \$15,500 per year for an individual or \$22,100 for a family of four.

30% AMI	
1 Person	4 Person
\$15,500	\$22,100
\$1,292	\$1,842

Many clients have no income when we begin working with them, but typical incomes we see are:

- Social Security income of \$835 per month.
- General Assistance between \$56 and \$254 per month.
- Reach Up: \$580 for a HH of two or \$740 for a HH of four.
- Employment income at minimum wage.

A long-term strategy needs to face the facts of these incomes and ask how we can create or re-create housing that is truly affordable to people at this income? How could we get a monthly rent down to \$300 or \$400? The typical approach has been to build units at high cost and then search for a deep subsidy to make the math work. Unfortunately, this creates two problems, a housing solution entirely dependent on the fickle nature of deep subsidy; and a class of Vermonters who are unable to qualify for the subsidy (and therefore the housing) due to factors such as criminal history.