

VHCB Proposal - Housing for the Homeless

House Committee on General, Housing and Military Affairs – June 5, 2020

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Proposal

VHCB proposes to use \$25 million from the Coronavirus Relief Fund to cover capital expenses necessary to secure shelter and housing for homeless households in order to mitigate COVID-19 effects and enable compliance with COVID-19 public health precautions.

Background

AHS recently reported that approximately 2000 Vermonters, including more than 200 children, are living temporarily in motels and shelters. As the economy reopens, they will be displaced but cannot return to crowded homeless and overflow facilities or encampments and follow public health guidelines for their safety and their neighbors. Approximately 25% of these individuals and families will be able to move into existing housing with a small amount of help, 45% will need a few months of support and rental assistance and approximately 30% will need long term assistance to remain safe and stably housed. Different strategies will be required to meet these needs including creating new apartments. In areas with the greatest number of homeless including many families with children, there is an underlying shortage of available housing.

VHCB, with its non-profit housing partners and local service agencies, are identifying properties to provide safe shelter during the pandemic and to facilitate the transition to permanent housing. First, we propose using CRF funds to secure and rehabilitate housing for 150 to 200 households. Funds would be targeted to areas of high need based on AHS data and a lack of available housing units. Second, we propose using CRF to assist existing emergency shelters to make building modifications necessary to comply with CDC guidance. We do not have a comprehensive assessment of shelter needs but could survey providers and add the result to our request, likely in the range of \$10 million. The activities we propose are consistent with current CRF guidance and expenditures would be completed by December 30, 2020. They could be the first step in

reinventing the emergency to permanent housing system in a manner that is safer, more humane and more effective with savings for the state's health care, corrections and mental health systems.

Most of these individuals and families have few resources and many needs. In addition to housing, many will require rental assistance and support services. VHCB originally proposed setting aside CRF funds in reserves to pay for the services and rental subsidies. As the guidance from the Treasury Department has evolved, it is now clear that this is not an eligible use. If it were, we could stand up more apartments and the overall request would grow. We have been in active discussions with AHS about whether they can provide these services and rental subsidies, which are essential to the success of the re-housed individuals. We ask the committee to consider including the following language:

“The Agency of Human Services, in coordination with the Vermont Housing & Conservation Board, the Vermont State Housing Authority, the Department of Housing and Community Development, shall work with its service partners and designated agencies to target support services and rental subsidies to the individuals and housing units secured or rehabilitated through the Coronavirus Relief Fund. AHS shall report by January 15, 2021 on how it is targeting supports to maximize the success of the formerly homeless Vermonters served.”

Once secured, these new units can provide safe shelter and housing for additional Vermonters who may become homeless through future waves of COVID-19 and until the economy recovers.

Different strategies will be required to meet the needs of those currently in motels and to minimize and address additional homelessness due to future waves of the pandemic and economic fallout. The Governor has proposed \$50 million for two programs – a \$42 million rental assistance/rent arrearage program to keep people from losing their housing and an \$8 million grant program to rehab up to 250 units of privately-owned housing that may serve the homeless. Vermont Legal Aid proposes to use \$550,000 to provide eviction prevention services. Pathways Vermont requests \$2.5 million to expand its Housing First services and help an additional 200 individuals and families to find existing housing. We believe these proposals, if it is determined they are eligible under CRF guidelines, complement VHCB's request.