



**U.S. Department of Housing and Urban Development**

Washington, DC 20410

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

**Hearing before the Senate Committee on Veterans Affairs**

**on**

**“Ending Veteran Homelessness”**

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Good afternoon Chairman Isakson, Ranking Member Blumenthal, and Members of the Committee. Thank you for this opportunity to discuss the progress made by the Department of Housing and Urban Development (HUD), the Department of Veterans Affairs (VA), the U.S. Interagency Council on Homelessness (USICH), and our community partners toward eliminating Veteran homelessness in the United States, along with the challenges that remain.

Ending Veteran homelessness has been a high priority goal for HUD, and the entire Administration, since *Opening Doors: Federal Strategic Plan to Prevent and End Homelessness* was launched in June 2010. Thanks to funding from Congress and close collaboration among federal and local partners, the nation has made substantial progress in reducing Veteran homelessness and creating sustainable federal and local systems that quickly respond to homelessness. Our aggressive goal to end Veteran homelessness by the end of 2015 has been the driving force for real, measurable, sustainable progress. From 2010 to 2014, there was an

estimated 33 percent drop in the number of Veterans experiencing homelessness on a single night according to HUD's 2014 Point in Time count (from just under 75,000 in 2010 to just under 50,000 in 2014). New Orleans and Houston proved the goal of ending Veteran homelessness is achievable when they announced this year that they effectively eliminated Veteran homelessness.

Such great progress would not have been possible without the investments made by Congress and the authority given to HUD and VA to collaboratively serve many Veterans with Housing and Urban Development-Veterans Affairs Supportive Housing (HUD-VASH). In order to fulfill our commitment to end Veteran homelessness, we must serve *all* Veterans experiencing homelessness. Thus, we need support from Congress to fill in the gaps in current services and to overcome barriers to serving all Veterans experiencing homelessness.

Specifically, we need the ability to more effectively serve Veterans not currently reached by HUD-VASH. First, we will need the special purpose vouchers requested in the 2016 Budget to serve individuals who served in the Armed Forces but are not currently eligible for VA Medical Services due to time in service or discharge status requirements. There are also Veterans in rural areas that are not close to a VA Medical Center or who are reluctant to use the VA for services for whom special purpose vouchers would be needed. Finally, HUD currently has the authority to pilot HUD-VASH funding on Tribal Lands, but would need the requested special purpose vouchers to expand voucher assistance in these areas. With more than 700 mayors, governors, and local officials signed on to the First Lady's Mayor's Challenge to End Veteran Homelessness, the level of local commitment to end Veteran homelessness has never been greater. Now is the time to capitalize on this momentum by expanding our reach to include all homeless Veterans, helping communities problem-solve around challenging housing markets

that have very few affordable housing units, and applying lessons learned from the progress on Veteran homelessness to all populations experiencing homelessness.

## **HUD-VASH**

Both VA and HUD administer programs that serve Veterans experiencing a range of housing issues, from the risk of losing housing to chronic homelessness over years—or even decades. HUD, VA, and USICH created an interagency committee called *Solving Veteran Homelessness as One* (SVHO) to combat a problem that cannot be solved by one agency alone. SVHO has dedicated staff members who meet frequently to align our programs, assess progress, and identify and resolve potential barriers to success. The greatest source of collaboration between HUD and VA is HUD-VASH, an essential resource for ending Veteran homelessness.

The collaboration between HUD, VA, and USICH on the HUD-VASH program is unprecedented and reaches from the senior leadership at each Agency to national program staff to local offices on the ground. However, HUD-VASH is only as successful as the local partnerships between the VA Medical Centers (VAMC), Public Housing Authorities (PHA), and Continuums of Care (CoC). While these local partnerships often require a new and challenging way of doing business, many communities have fostered thriving relationships between their VAMCs and PHAs and closely collaborate with local CoCs. HUD and/or VA staff is available when communities request or need help to resolve policy issues or identify solutions regarding procedures or practices that could be improved.

HUD-VASH provides long-term assistance to the most vulnerable Veterans experiencing homelessness by combining HUD's Housing Choice Voucher (HCV) rental assistance with VA's intensive case management and clinical services. To date, funding for over 79,000 vouchers have been awarded, and over 90,000 lease-ups have occurred through turnover. We are currently housing over 57,300 Veteran families through HUD-VASH and about 4,700 vouchers have been issued but are not yet under lease, which means a Veteran is searching for a unit. In some areas where the rental market has a low vacancy rate and rents are high, Veterans are having difficulty identifying housing options. We are working together with the VA and USICH to identify and implement strategies to assist with landlord engagement and to encourage development of more affordable housing in these areas.

To maximize the impact HUD-VASH resources have on reducing Veteran homelessness, HUD and VA target HUD-VASH vouchers to the most vulnerable Veterans. Thus, HUD and VA established a performance target to use 65 percent of HUD-VASH vouchers for Veterans experiencing chronic homelessness<sup>1</sup>. HUD and VA use data on the number of Veterans experiencing homelessness in communities and data on the performance of PHAs and VAMCs to distribute vouchers to areas that have the greatest need and the ability to effectively administer new vouchers. While this 65 percent performance target remains intact, HUD and VA recognize that there are communities that have successfully housed 100 percent of those Veterans experiencing chronic homelessness. For those communities, HUD and VA will consider providing an exception to this performance target on a case-by-base basis to allow them greater flexibility to serve other vulnerable Veterans in their community.

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<sup>1</sup> Veterans experiencing chronic homelessness live with a disabling condition and have been continuously homeless for at least one year *or* experienced at least four occasions of homelessness in the last three years.

HUD-VASH is critically important for Veterans experiencing chronic homelessness who typically require long-term housing assistance paired with supportive services, particularly since they tend to have high rates of mental health and substance abuse problems that may be exacerbated by physical illness, injury or trauma. Since HUD-VASH's combination of HUD housing assistance and VA supportive services can support Veterans for as long as needed, this type of supportive housing enables Veterans to live as independently as possible in a place of their own. Research has repeatedly demonstrated that this permanent supportive housing not only ends homelessness for people who would otherwise live for years on our streets and in shelters, but also saves taxpayer money by interrupting the costly cycle through shelters, emergency rooms, hospitals, detox centers, and jails.

We appreciate how Congress continues to share our strong commitment to HUD-VASH. We recognize how Congress has continually provided critical funding in prior years for HUD-VASH vouchers that has enabled us to have sufficient resources to achieve our goal. But we need to make sure that assistance is available for all Veterans who need it – including those not currently reached by the HUD-VASH program, Veterans living in tribal communities, and Veterans, regardless of discharge status.

### **Implementing Strategies that Work**

This year, New Orleans and Houston announced that they effectively eliminated Veteran homelessness, demonstrating that this goal is achievable when communities have adequate resources, strong local leadership, and implement the strategies that we know work. These strategies include using coordinated entry systems that ensure there is no wrong door for Veterans seeking help; proactive and coordinated outreach efforts to locate all Veterans in need of assistance; sharing data across systems to ensure no Veteran falls through the cracks;

implementing community-wide *Housing First* practices; and collaborating with the Department of Labor's American Job Centers and their Homeless Veterans' Reintegration Program grantees, local Workforce Development Boards, and other stakeholders so Veterans can be quickly connected to jobs.

The significant announcements in New Orleans and Houston that they effectively ended Veteran homelessness means that those communities have created responsive systems that will ensure that when a Veteran does become homeless, it will be rare, brief, and non-recurring. A *Housing First* approach is a key component to ensuring homelessness is brief and non-recurring. This evidenced-based model provides *immediate* access to permanent supportive housing from the streets or shelters without requirements on service participation. The *Housing First* model has been identified as the most successful approach for people who have been experiencing homelessness for years and have complex disabilities.

While *Housing First* makes intensive services available, it does not require residents to undergo psychiatric treatment or have maintained a period of sobriety to obtain housing, which makes housing more accessible for Veterans experiencing chronic homelessness. Vulnerable Veterans can more easily engage in services and address chronic health conditions, including substance use disorders, once they are housed and no longer burdened with the chaos and uncertainty of homelessness. HUD and VA are both committed to following a *Housing First* approach in HUD-VASH. In support of the *Housing First* model, VA issued guidance to VAMC case managers to not require Veterans to demonstrate sobriety or receive treatment for underlying addiction or mental health issues as a precondition for receiving housing assistance. To help target the most vulnerable Veterans, HUD eliminated all criminal history screening requirements for HUD-VASH vouchers except for the lifetime ban on sex offenders.

## **Helping Communities Meet the Goal of Ending Veteran Homelessness**

Since the ability of any community to meet the goal of ending Veteran homelessness depends on the strength of each community's leadership and successful implementation of proven strategies, HUD and its Federal partners are committed to working with communities to help them get there. Because of the critical role that HUD-VASH plays in the efforts to end Veteran homelessness, a significant amount of technical assistance and training has been committed to improving the performance of HUD-VASH.

In addition to the many national and local-level trainings delivered by HUD and VA staff, both HUD and VA support local partners on the ground. These initiatives, led by Community Solutions, have included Boot Camps, the 25 Cities Initiative, and *Zero: 2016*. Through these efforts, many communities have achieved large gains in short periods of time by: getting all key partners to the table and strengthening local coordination; accelerating HUD-VASH housing placements; improving targeting of HUD-VASH vouchers to the most vulnerable Veterans experiencing homelessness; implementing transparent data and performance management strategies; and developing specific targets for the number of Veterans to house each month.

These efforts dovetail nicely with other large-scale initiatives that are helping communities end homelessness, including the *Mayor's Challenge to End Homelessness* championed by First Lady Michelle Obama. This summer, HUD launched Vets@Home, a technical assistance initiative aimed at helping communities cross the finish line. Vets@Home is intended to both provide support to communities that have not received technical assistance through other initiatives and to supplement existing efforts. Vets@Home will target assistance to where additional support is needed, and tailor the assistance to each community's needs.

## **Challenges We Face in Ending Veteran Homelessness**

Despite the unprecedented progress achieved in reducing Veteran homelessness, communities still face significant barriers. While HUD-VASH makes housing affordable for Veterans experiencing homelessness, many HUD-VASH recipients still face a limited supply of affordable housing, particularly in high-cost markets. Once a Veteran has a housing voucher in hand, there is no guarantee that there will be enough affordable housing available in his or her community. While we can help communities better engage private landlords and incentivize landlords to prioritize housing Veterans experiencing homelessness, addressing the shortage of affordable housing requires commitment from local governments and housing developers to prioritize affordable housing for this population. The Administration is working with local actors in areas where this problem is most acute to help incentivize the availability of affordable housing for Veterans experiencing homelessness.

We also must continue providing communities with guidance about the role of transitional housing in efforts to address Veteran homelessness. While transitional housing may be needed to address the specific service needs of a Veteran before moving to permanent housing, some models of transitional housing can lead to longer periods of homelessness for a Veteran. Much of the country's transitional housing imposes high barriers to entry, which makes it harder for high-need Veterans to access transitional housing because it prioritizes therapeutic goals such as achieving sobriety over permanent housing. For this reason, HUD, VA, and USICH must continue efforts to transform existing transitional housing models so that Veterans can access permanent housing as quickly as possible.

Another barrier is our inability to serve all Veterans experiencing homelessness regardless of whether they receive other benefits from VA or whether they live on Tribal lands.



We are excited that Congress authorized a Tribal HUD-VASH demonstration project for Fiscal Year 2015. This demonstration, for the first time, gives veterans living on Tribal lands access to targeted housing assistance and case management. In Fiscal Year 2016 and beyond, we hope to continue to be able serve Veterans experiencing homelessness who live on Tribal lands, because our obligation is to *all* Veterans, including those who live on Tribal lands.

Similarly, some Veterans do not qualify for VA benefits, while others choose not to receive treatment from VA, and we must serve them all. While HUD encourages CoCs to prioritize serving Veterans who do not access VA services, CoCs lack the resources to meet the needs of all those Veterans. That is why the President's Fiscal Year 2016 budget request included \$177.5 million for 22,500 vouchers for homeless families, as well as Veterans who are not currently reached by HUD-VASH—as well as an increase of \$265 million for new permanent supportive housing for people experiencing chronic homelessness that could prioritize Veterans who do not receive VA assistance. Many individuals cannot access VA services because they received a less than honorable discharge. Therefore, we urge Congress to support the President's Fiscal Year 2016 budget request for these resources.

### **Conclusion**

Mr. Chairman and members of the Committee, I hope this discussion has helped inform your understanding of the progress we have made toward ending Veteran homelessness, and what is needed to achieve our goal of ending Veteran homelessness and all homelessness in the United States. Thank you for this opportunity and I look forward to answering any questions you may have.