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Testimony Before the District of Columbia Council Committee on Housing March 31, 2023

Budget Oversight Hearing: Department of Human Services

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Introduction

Good morning, Chairperson White, and members of the Committee. My name is Makenna Osborn. I am a Policy Attorney at Children's Law Center and a resident of the District. Children's Law Center believes every child should grow up with a strong foundation of family, health and education and live in a world free from poverty, trauma, racism and other forms of oppression. Our more than 100 staff – together with DC children and families, community partners and pro bono attorneys – use the law to solve children's urgent problems today and improve the systems that will affect their lives tomorrow. Since our founding in 1996, we have reached more than 50,000 children and families directly and multiplied our impact by advocating for city-wide solutions that benefit hundreds of thousands more.

Thank you for the opportunity to testify regarding the proposed FY24 budget for the Department of Human Services (DHS). Many of Children's Law Center's clients utilize DHS' homelessness prevention services for families, including the Family Re-Housing Stabilization Program (FRSP, commonly referred to as Rapid Re-Housing), Emergency Rental Assistance Program (ERAP), and Targeted Affordable Housing (TAH) and Permanent Supportive Housing (PSH) vouchers for families. Therefore, like the many DC residents and housing advocates you will hear from today, Children's Law Center was deeply disappointed with the Mayor's level of proposed funding for these

important services in FY24. We want to thank you, Chairperson White, for committing to fight these harmful reductions.¹

Invest in Emergency Rental Assistance

The Mayor's proposal to cut funding for ERAP, the District's primary eviction prevention tool, from \$43 million in FY23 to merely \$8 million in FY24 is appalling and the offered justification that returning to pre-pandemic ERAP funding of \$8 million reflects the current level of need for emergency rental assistance is simply unfounded.² A large number of low-income DC renters continue to face COVID-related economic vulnerabilities and have been placed at imminent risk of housing insecurity since DC's eviction moratorium ended last year.³ The high level of need is clearly evidenced by the depletion of FY23's ERAP funds by March, just halfway through the fiscal year.⁴ As a result, DHS abruptly closed the ERAP application portal on March 10 and unless the Mayor and Council provide emergency funding to fill the gap, no one facing eviction will be able to seek ERAP assistance until October 2023.⁵

\$8 million per year was never enough to adequately support District residents facing eviction. ERAP funding consistently ran out before the end of the fiscal year prior to the pandemic.⁶ We urge the Committee to take leadership on this issue and consistently fund ERAP at a level that reflects the actual need in the community. Last year the Committee on Human Services, then responsible for DHS oversight, acknowledged that the true need for ERAP "may be as high as \$187 million." In FY24,

we anticipate that need will remain high for DC families as rents increase, Supplemental Nutrition Assistance Program (SNAP) benefits decrease and thousands of families exiting from the Rapid Re-Housing program lose rental subsidies. Therefore, Children's Law Center joins our partners in the Fair Budget Coalition in requesting a minimum of \$117 million in rent relief for FY24 with the policy recommendation that ERAP should allow applicants to request 3 months of future rent, as was provided in STAY DC. If the District does not invest in preventing evictions, we will see a surge in homelessness, disproportionately harming Black, immigrant and working-class families in DC. The cost will not disappear but rather shift to homeless service providers and addressing the ongoing collateral consequences of more residents who have experienced the trauma of housing instability.

Invest in Permanent Housing Solutions Instead of Ineffective Rapid Re-Housing

Without Reform, the Rapid Re-Housing Program is an Inefficient Use of Funds

As we have testified many times before, Children's Law Center is concerned that the District continues to rely on and fund Rapid Re-Housing (RRH) as the city's primary tool to address family homelessness. The Mayor has consistently grown Rapid Re-Housing, while failing to adequately fund permanent housing vouchers that would better help families achieve stable, affordable housing.¹³ The funding for Rapid Re-Housing has more than tripled since FY20 despite the fact that the program is clearly not achieving its goal of increasing a family's income so they can independently afford stable

housing at the end of their participation.¹⁴ In performance oversight responses supplied to the Committee last month, DHS reported that in FY22 only 35% of families in the program experienced an increase in household income prior to their exit from Rapid Re-Housing and the average monthly income of adults in families at exit was \$1,022, nowhere near sufficient to afford rent in DC where the average monthly rent for a two-bedroom apartment is over \$2,000.¹⁵

We cannot continue investing valuable District resources into a program that we know does not help families achieve stable, affordable housing and consistently gives money to some of the worst landlords in DC.¹⁶ The Council needs to legislatively act to reform Rapid Re-Housing because DHS has never operated the program transparently and consistently and, despite having more than five years to do so, has never published regulations. We urge the Council to pass and fund the Rapid Re-Housing Reform Amendment Act of 2023 in the FY24 budget cycle. 17 This timeline is important because – in addition to capping the percent of income families in Rapid Re-Housing must pay for rent at a predictable and realistic amount, increasing due process for all permanent housing applicants, and making case management services for families in Rapid Re-Housing voluntary in line with national best practices – the bill's safeguards would also protect the approximately 3,100 families facing termination from Rapid Re-Housing.¹⁸ Without these changes, we will continue cycling families through homelessness and the

illusion of permanent housing, rather than actually putting them on a path toward truly permanent housing.

The District Must Continue Increasing its Investment in Permanent Housing Solutions

While Rapid Re-Housing can be a helpful resource for some families, particularly
those who have previously maintained stable housing but are no longer able to due to a
temporary change in family circumstances, permanent housing vouchers are far more
likely to result in long-term housing stability. 19 The Targeted Affordable Housing (TAH)
and Permanent Supportive Housing (PSH) vouchers administered by DHS are essential
resources for ensuring that low-income families can afford to live in DC's costly housing
market. These vouchers, especially TAH, are a critical way to help more families in DC
access permanent housing supports, especially younger heads of household who have
been unable to access the District of Columbia Housing Authority's voucher waitlist since

Along with our partners in the Fair Budget Coalition, Children's Law Center believes that the District needs to fund 1,920 TAH vouchers and 480 PSH vouchers for families to meet the anticipated needs of families in shelter and exiting Rapid Re-Housing in FY24.²¹ With thousands of families in Rapid Re-Housing facing program termination beginning as early as August 2023, additional vouchers will be an absolute necessity in FY24 to keep families from experiencing homelessness.²² Unfortunately, the Mayor's proposed budget does not fund any new vouchers. We share the concern raised by the

it closed in 2013.²⁰

Mayor that of the vouchers added in FY21 and FY22, 69.7% of TAH family vouchers and 59.9% of PSH family vouchers remain unutilized.²³ We are also worried that well into the second quarter of FY23, no families have been matched to the 965 TAH and PSH family vouchers made newly available in FY23.²⁴ However, we do not believe this is due to a lack of need, but bureaucratic barriers to accessing the vouchers. Additional funding targeted to where in the voucher process utilization is being stalled could significantly increase utilization in FY24. We hope this Committee will continue probing both DHS and DCHA about the voucher allocation and utilization process, identify what resources are needed to cut through voucher backlogs and pair those resources with enough vouchers to meet the needs anticipated in FY24.

Ultimately, unless the District creates more opportunities for families to obtain truly stable housing, like through permanent housing vouchers, or significantly reform the Rapid Re-Housing program, thousands of families will continue to bounce between homelessness and Rapid Re-Housing while costing the District millions of dollars.

Conclusion

We look forward to continuing to work with DHS and with this Committee to improve how we serve families experiencing homelessness and housing insecurity in DC. Thank you for the opportunity to testify and I welcome any questions.

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¹ @CMRobertWhiteDC, TWITTER (Mar. 22, 2023, 2:05 PM), https://twitter.com/CMRobertWhiteDC/status/1638602709338079233.

² Press Conference, Mayor Bowser, FY 2024 Budget Proposal, (Mar. 22, 2023), available at: https://www.youtube.com/watch?v=P4DZZIA9Vho.

³ Elizabeth Oquendo, Testimony Before the District of Columbia Council Committee on Human Services, (June 14, 2021), available at: https://childrenslawcenter.org/wp-content/uploads/2021/07/DHS-Budget-Testimony-FY22-Childrens-Law-Center-Final.pdf; Morgan Baskin, As Pandemic Aid Ends, Struggling Families Face a Housing Nightmare, Washington Post, (April 20, 2022), available at: https://www.washingtonpost.com/magazine/2022/04/20/pandemic-aid-ends-housing-nightmare/; Noah Abraham et al., A Collaborative Framework for Eviction Prevention in DC, Urban Institute, p. 16, (February 1, 2023), available at: https://www.urban.org/research/publication/collaborative-framework-eviction-prevention-

dc#:~:text=DC%27s%20eviction%20moratorium%20expired%20in,from%20the%20beginning%20of%2020

- ⁴ Press Release, DEP'T OF HUMAN SERVICES, DHS ANNOUNCES THAT THE LAST DAY TO SUBMIT NEW APPLICATIONS FOR THE EMERGENCY RENTAL ASSISTANCE PROGRAM IS MARCH 10 (Mar. 8, 2023), available at: https://dhs.dc.gov/sites/default/files/dc/sites/dhs/release content/attachments/DHS%20Press%20Release Closing ERAP%20Portal 3-8-23.pdf.
- ⁵ Department of Human Services (DHS), Emergency Rental Assistance Program, available at: https://dhs.dc.gov/service/emergency-rental-assistance-program.
- ⁶ Morgan Baskin, *Bowser Proposes Slashing Emergency Rental Assistance*, Housing Production Funds Amid Grim Economic Forecast, DCist, (March 24, 2023), available at: https://dcist.com/story/23/03/24/bowser-budget-rental-assistance-housing-production/.
- ⁷ Committee on Human Services, Report and Recommendations of the Committee on Human Services on the Fiscal Year 2023 Budget for Agencies Under Its Purview, p. 74, (Apr. 20, 2022), available at: https://lims.dccouncil.gov/downloads/LIMS/49081/Committee_Report/B24-0716-Committee_Report2.pdf ⁸ Rent-stabilized tenants in DC could face a rent increase of up to 8.9% beginning May 1, 2023, which is almost double the average rent increase since the beginning of the rent stabilization program. Certification of Notice, RENTAL HOUS. COMM'N, ADJUSTMENT OF GENERAL APPLICABILITY AND QUALIFYING INCOMES FOR RENT EXEMPTIONS, (Feb. 14, 2023), available at: https://rhc.dc.gov/sites/default/files/dc/sites/rhc/publication/attachments/2023%20RHC%20CPI%20and% 20COLA%20Notice%5B93%5D.pdf; @DCJWJ, TWITTER (Mar. 22, 2023, 8:35 AM),

https://twitter.com/DCJWJ/status/1638519869627932675.

The SNAP Emergency Allotments, which provided benefit boosts aimed at mitigating food insecurity during the pandemic Public Health Emergency, ended on March 1, 2023. The more than 90,000 SNAP participants in DC are now receiving, on average, \$90 less per month to put toward food purchases. Food Research & Action Center (FRAC), SNAP Emergency Allotments: District of Columbia, available at:

https://www.dchunger.org/wp-content/uploads/2023/02/SNAP_FRAC_FactSheet_DC-FV.pdf.

¹⁰ Delia Goncalves, 'If I'm drowning, how can I help them?' | DC mother joins housing advocates to call for rental assistance to be restored, WUSA, (March 27. 2023), available at:

 $\frac{https://www.wusa9.com/article/news/local/dc/housing-advocates-want-rental-assistance-restored/65-c0d91e51-715f-4668-bd7d-a51c3e693ef2.$

- ¹¹ Fair Budget Coalition, FY2024 Meeting the Needs: Equitable Budget Policy, p. 2, available at: https://fairbudget.org/wp-content/uploads/2023/02/REV02232023_Digital_Complete-2024-Budget-Platform_pages.pdf.
- ¹² For information on some of the lasting impacts of housing instability on children and families *see*, National Low Income Housing Coalition, *Study Links Housing Instability to Increased Child and Caregiver Health Risks*, (Jan. 22, 2018), *available at*: https://nlihc.org/resource/study-links-housing-instability-

increased-child-and-caregiver-health-

 $\frac{risks\#:\sim:text=All\%20three\%20measures\%20of\%20housing\%20instability\%20were\%20associated,were\%20associated\%20measures\%20child\%20developmental\%20risk.}$

¹³See Kathy Zeisel, Children's Law Center, Testimony Before the District of Columbia Council Committee on Human Services, (March 31, 2022), available at: https://childrenslawcenter.org/wp-content/uploads/2022/03/Zeisel-DHS-FY23-Budget-testimony-final.pdf; Elizabeth Oquendo, Testimony Before the District of Columbia Council Committee on Human Services, (June 14, 2021), available at: https://childrenslawcenter.org/wp-content/uploads/2021/ntestimony-FY22-Childrens-Law-Center-Final.pdf; Kathy Zeisel, Children's Law Center Testimony Before the District of Columbia Council Committee on Human Services and Committee on Housing & Neighborhood Revitalization, (January 29, 2020), available at: https://childrenslawcenter.org/wp-content/uploads/2021/07/Zeisel-FY19-DHS-Oversight-testimony-final.pdf; Diana Sisson, Testimony Before the District of Columbia Council Committee on Human Services, (April 10, 2018), available at: https://childrenslawcenter.org/wp-content/uploads/2021/07/Testimony-Before-the-District-of-Columbia-Council-FINAL-FORMATTED-nj.pdf.

¹⁴ Compare: 22,850 in FY20, FY20 DHS Budget, Table JA0-4. with 73,059 in FY24, Mayor's Proposed FY24 Budget and Financial Plan, Volume 4 Agency Budget Chapters – Part III, Human Support Services, Operations and Infrastructure, Financing and Other, and Enterprise and Other, p. E-69. https://cfo.dc.gov/sites/default/files/dc/sites/ocfo/publication/attachments/ja dhs tables 2024m.pdf. Note that the Mayor's proposed FY24 budget actually makes a small decrease to funding for RRH for families, from \$74.8 million to \$73 million.

¹⁵ See DHS FY22 & FY23 Pre-Hearing Performance Oversight Responses, response to Q84, available at: Dept. of Human Services Prehearing Responses 2-20-23 (003) (2).pdf. For estimated average rental rates in DC, one of many websites reporting this data can be found at, Rent., Rental Market Trends in Washington DC, (Last updated March 29, 2023), available at: https://www.rent.com/districtof-columbia/washington-apartments/rent-trends.

¹⁶ Year after year some of the worst conditions we see are in units paid for with Rapid Re-Housing Funding. *See* Kathy Zeisel, Children's Law Center, Testimony Before the District of Columbia Council Committee on Human Services, (February 24, 2022), *available at*: https://childrenslawcenter.org/wp-content/uploads/2022/02/Zeisel-2022-DHS-Oversight-testimony-FINAL.pdf; Elizabeth Oquendo, Testimony Before the District of Columbia Council Committee on Human Services, (June 14, 2021), *available at*: https://childrenslawcenter.org/wp-content/uploads/2021/07/DHS-Budget-Testimony-FY22-Childrens-Law-Center-Final.pdf; Kathy Zeisel, Children's Law Center Testimony Before the District of Columbia Council Committee on Human Services and Committee on Housing & Neighborhood Revitalization, (January 29, 2020), *available at*: https://childrenslawcenter.org/wp-content/uploads/2021/07/Zeisel-FY19-DHS-Oversight-testimony-final.pdf; Diana Sisson, Testimony Before the District of Columbia Council Committee on Human Services, (April 10, 2018), *available at*: https://childrenslawcenter.org/wp-content/uploads/2021/07/Testimony-Before-the-District-of-Columbia-Council-FINAL-FORMATTED-nj.pdf.

¹⁷ B25-0047, Rapid Re-Housing Reform Amendment Act of 2023.

¹⁸ In the fall of 2022, DHS communicated to housing advocates that all Rapid Re-Housing participants would receive a final 18-month RRH extension from October 2022 (most RRH participants had already received at least one extension due to the pandemic), meaning most families would be scheduled for exit from the program in April 2024.

¹⁹ B25-0047, *Rapid Re-Housing Reform Amendment Act of* 2023, Sec. 2, Sec. 32(d), lines 54-57; *Id.* Sec. 3, Sec. 33(d), lines 114-115; *Id.* Sec. 2, Sec. 32(c), lines 84-88; Brittany K. Ruffin, Washington Legal Clinic for the

Homeless, Testimony Before the District of Columbia Council Committee on Housing, (February 23, 2023) *available at*: https://www.legalclinic.org/wp-content/uploads/2023/03/DHS-Oversight-Testimony-2023-letterhead-1.pdf.

- ²⁰ Annemarie Cuccia, With 40,000 People On The D.C. Housing Authority's Waitlist, D.C. Funds Only 20 New Vouchers For That List, DCist, (June 4, 2022), *available at*: https://dcist.com/story/22/06/24/dc-housing-authority-waitlist-voucher-funding/.
- ²¹ Fair Budget Coalition, FY2024 Meeting the Needs: Equitable Budget Policy, p. 23, available at: https://fairbudget.org/wp-content/uploads/2023/02/REV02232023_Digital_Complete-2024-Budget-Platform_pages.pdf.
- ²² In communications with members of the FRSP Advisory Group in February 2023, Noah Abraham (Deputy Administrator of DHS' FSA Families Division) indicated that DHS anticipates exiting the first group of families currently in Rapid Re-Housing from the program by the end of August 2023.
- ²³ For PSH-F, there were a total of 491 new vouchers in FY21 and FY22. 294 of those remain unused. For TAH-F, there were a total of 366 new vouchers in FY21 and FY22. 255 of those remain unused. DHS FY22 & FY23 Pre-Hearing Performance Oversight Responses, response to Q76, available at: Dept. of Human Services Prehearing Responses 2-20-23 (003) (2).pdf
- ²⁴ There are 570 new PSH-F vouchers and 395 new TAH-F vouchers available for FY23. *Id.*