



Testimony of the

NATIONAL COALITION
for **HOMELESS VETERANS**

United States Senate
Committee on Banking, Housing and Urban Affairs
Subcommittee on Housing, Transportation, and
Community Development

“Opportunities and Challenges in Addressing
Homelessness”

July 19, 2022

Chair Smith, Ranking Member Rounds, and distinguished Members of the Subcommittee: On behalf of our Board of Directors and Members across the country, thank you for the opportunity to share the views of the National Coalition for Homeless Veterans (NCHV) with you. NCHV is the resource and technical assistance center for a national network of community-based service providers and local, state and federal agencies that provide emergency, transitional, and supportive housing, food, health services, job training and placement assistance, legal aid and case management support for thousands of homeless, at-risk, and formerly homeless veterans each year. We are committed to working with our network and partners across the country to end homelessness among veterans.

82 communities and three states have achieved the Federal Benchmarks and Criteria for Ending Veteran Homelessness. While veteran homelessness decreased by 50 percent between 2010 and 2020, HUD's 2020 Point-in-Time Count data revealed a slight uptick in veteran homelessness to 37,252 individuals on any given night. Decreases in veteran homelessness were made possible over the last decade due in large part to Congressional investment in key Federal Programs, implementation of evidence-based solutions like Housing First, and dedicated coordination at the national and local level.

I'd like to first touch on why people experience homelessness. At its very core, homelessness is caused by a fundamental mismatch between the availability of affordable housing in a community's housing market and an individual's ability to pay for housing. According to HUD, the average rental price has increased by four percent annually over the last decade and a staggering 66 percent between 2010 and 2020. Yet the federal minimum wage has remained unadjusted since 2009. This mismatch, paired with weak social support networks and institutional and systemic racism, has been the major driver for the nationwide rise in housing instability that we have seen over the last several years.

Impact of COVID-19 Pandemic

The COVID years have taught those of us working on homelessness many lessons. Homeless service providers pivoted programming; reimagined what was possible for veterans; reconfigured space in congregate settings; worked incredibly hard to keep veterans in their communities safe from COVID; and moved as many veterans as possible into permanent housing.

Now that many communities are out of an emergency response posture and are getting back to pre-pandemic practices, it is more important than ever that we work to address the underlying causes of housing instability. The confluence of rising inflation rates in our current economy, the housing affordability crisis that we are experiencing, and the wind down of pandemic assistance programs like ERA in many communities is exacerbating housing stability challenges for the general population and veterans alike who have far too little income in tight housing markets.

Now is the time to:

- create permanency among programs, particularly those for VA that were authorized through the end of public, state or local health emergencies;
- continue to implement lessons learned,
- double back to address persistent barriers slowing the housing placement process and perpetuating inequities; and
- focus on research and data analysis to improve our understanding of how to close gaps in support for veterans, and key populations of veterans in particular.

As we look toward the future, we need to proactively ensure that we have solutions available to meet the needs of veterans. That means scaling up interventions that create a housing-focused system in communities while also ensuring the availability of crisis-response and treatment options for those who need them. It is no secret that the version of pre-pandemic normal so many of us experienced was one that exacerbated inequity and homelessness is but one glaring symptom of those challenges. While growth in the unsheltered population requires a focus on providing crisis response services like shelter and outreach, we also need to address the root causes of their homelessness rather than utilizing law enforcement as the default response to a social problem. We need to commit at a national, and local level, to investing in and improving our own communities around the issues causing veterans near us to become homeless. This means addressing systemic & institutional inequities, partnering with unorthodox bedfellows who could close gaps, addressing the shortage of affordable housing, and shoring up support for homelessness prevention and housing stability resources.

Rising inflation rates, the housing affordability crisis that we are experiencing, and the wind down of pandemic assistance programs like ERA in many communities have created a perfect storm for increases in veteran homelessness. This confluence of risk factors will create housing stability challenges for people and veterans alike who have far too little income in tight housing markets.

The Housing Supply & Affordability Crisis

The lack of affordable housing is one of the biggest challenges that service providers face as they work with veterans who are exiting homelessness. The National Low Income Housing Coalition reported¹ that nationwide, there are approximately 36 units available for every 100 individuals searching at 30% of the area median income. This forces extremely low income veterans into paying more rent than they can afford and making hard choices between housing and food or utilities or other essential needs.

Not only is there a shortage of affordable housing, but that shortage has been driving nationwide rent increases. The July 2022 National Rent Report from Apartment List² found that rents increased by over 17 percent in 2021 and by another five percent in 2022 to date. The average

¹ <https://nlihc.org/gap>

² <https://www.apartmentlist.com/research/national-rent-data>

renter is facing a shortage of units and higher prices, increasing their risk of falling into homelessness. While the lack of affordable housing is a contributing factor to veteran homelessness, neither this problem nor its solutions are unique to veterans. Congress needs to invest in affordable housing production, subsidies to ensure that low income veterans and civilians can afford housing, and additional supports to help with housing stability.

Services and Supports

Despite the gap in affordable housing, it is unlikely that we will be able to build our way out of homelessness quickly enough to meet the needs of people experiencing homelessness today. Development takes time, and it is no easy task to make projects on the affordable end of the market pencil out for developers. These realities set the stage for one of VA's top 5 priorities of moving an additional 38,000 unsheltered veterans into permanent housing by the end of 2022.

NCHV thanks Congress for supporting VA's homeless programs by creating flexibility, offering new spending authorities to meet emergent needs, and ramping up the capacity of VA programs during COVID. Utilizing section 4201 authority under the recently passed Isakson/Roe P.L. 116-315, 80 VAMCs have been able to provide services for an additional 29,883 veterans during COVID as well as provide transportation for an additional 26,712 veterans as of 6/30 of this year. It is worth noting that VA has seen that much of the program's expenditures have occurred in the past three months. The need for sufficient funding must be incorporated into non-emergency appropriations and authorizations as we move away from COVID-specific emergency funding. If we are to move out of this emergency while continuing to decrease veteran homelessness, VA must implement program expansions enacted earlier this year, and begin planning to incorporate program changes included in current legislative proposals before Congress.

The Grant and Per Diem (GPD) Program has been making adjustments to program grants and has awarded two rounds of capital grants for providers to de-congregate these transitional housing facilities during COVID in accordance with improving the public health risk. These grants should be continued and expanded to include facility improvements beyond emergency needs and the end of emergency designations. The daily per diem rate must also be addressed. At the sunset of the public health emergency declaration, the maximum reimbursement rate GPD providers can receive will drop from \$152.73 to \$60.06 a day. This rate is intended to provide overnight housing, meals, and wrap around services and supports for homeless veterans. NCHV recommends Congress pass S.2172, or the House companion H.R. 5606 to directly address these issues.

The Supportive Services for Veteran Families (SSVF) program's shallow subsidy initiative has recently been adjusted, increased and expanded nationwide due to its apparent success during the pandemic. Yet, exactly because of COVID there is a dearth of information on how many veterans utilized the Treasury Department's ERA, and other resources, making it harder to get our arms around the true scope of the challenge in a data-driven method. NCHV is supportive of this expansion and has recommended further study and data collection to gauge effectiveness incorporating recent program operation updates.

The HUD-VASH program has been a successful best practice, due to the pairing of a section 8 voucher with case management to connect veterans to services and supports that will help them

remain stably housed. The acute nature of veteran needs in this program is exactly why this pairing has been so successful. The availability of, and access to, case management services through the nation's largest healthcare provider, VA's VHA and the Medical Centers (VAMCs) and Community based Outpatient Centers (CBOCs) throughout the nation has been successful where VA is able to staff and or contract for case managers to administer the program. Despite the program's successes, work can be done on two fronts. First, to improve the case management veterans are able to access. Second is that vouchers have become more challenging to use due to the housing affordability crisis and the stigma that some landlords have against accepting section 8 vouchers as a form of rental payment. A veteran may finally get a voucher in hand, only to have no place to rent.

Staffing for both VA and providers remains a challenge. There are only so many qualified providers available in any given region, with even fewer graduating each year. This means that the community healthcare providers, VA, and service providers are all recruiting from the same pool, exacerbating staffing issues. NCHV will continue to work with Congress and VA to address this issue.

In Summation

Thank you for the opportunity to submit this testimony and for your continued interest in ending veteran homelessness. It is a privilege to work with all of you to ensure that every veteran facing a housing crisis has access to safe, decent, and affordable housing paired with the support services needed to remain stably housed.