



**TESTIMONY OF NEW JERSEY COALITION TO END HOMELESSNESS BEFORE
NEW JERSEY INTERAGENCY COUNCIL ON HOMELESSNESS**

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Good afternoon. I'm Deb Ellis, the Executive Director of the NJ Coalition to End Homelessness, a statewide organization with the mission to eradicate homelessness in New Jersey through education and advocacy. The Coalition believes that homelessness can be ended if there is the determination to do so. The first step is for this Council to issue a 10 year plan that provides a uniform homelessness policy focusing on the evidence-based models of Housing First and Rapid Rehousing. We are one of only two states in the country without a statewide plan to end homelessness. Nor do we have a line item in our state budget for homelessness.

New Jersey is a state of contrasts: we have the third highest per capita income of any state in the country but we are also known for the tent cities where some of our homeless citizens live.¹ Caught in the squeeze between falling wages and rising rents, and perhaps denied assistance by their local Board of Social Services for "causing their own homelessness"² or not having a notarized letter explaining why they are homeless, some people have no alternative but makeshift tent cities – such as in Lakewood, Toms River, Camden, and Dover –just like the "Hoovervilles" of the Depression era.

The Coalition urges the State of New Jersey to create a homelessness policy aligned with the permanent housing focus of the Federal government, as embodied in HEARTH (Homeless Emergency Assistance and Rapid Transition to Housing).

HEARTH has the goal of "returning those who become homeless to permanent housing in 30 days." In New Jersey, the current State-funded reimbursement system is focused on emergency shelter and transitional housing, with limited focus on a rapid return to permanent housing. Continuums of Care on the local level are required to move in the Federal direction, but current state funding doesn't support this. Without addressing these differences, counties and homeless providers in New Jersey will continue to be at odds with the Federal government and at a disadvantage in competing for Federal funds, which are focused on ending homelessness.

Housing First and Rapid Rehousing

We applaud the State for developing regulations on Housing First for providers licensed by DMHAS. But we call upon the State to develop funding mechanisms to support Housing First for the chronically homeless and Rapid Rehousing for those whose homelessness has been caused primarily by economic factors. Also, a strong safety net with adequate Emergency Shelter capacity is necessary as a feeder for the system of permanent housing that we support. To design a Housing First/Rapid Rehousing system, the Council does not need to look far: the

¹ "Welcome Home: The Rise of Tent Cities in the United States," National Law Center for Homeless & Poverty and Yale Law School, pp. 27- 34 (describing tent city in Lakewood, NJ) (March 2014).

² N.J.A.C. 10:90-6.1 (c)(3) provides that emergency assistance shall not be provided "when an adult EA applicant or recipient has caused his or her own homelessness"

Bergen County Housing, Health and Human Services Center is an excellent model for a Housing First program and Mercer County is a national model for Rapid Rehousing.

How does Housing First and Rapid Rehousing work? Housing First centers on providing homeless people with permanent housing quickly and then providing services as needed. What differentiates it from other strategies is that there is an immediate and primary focus on helping individuals and families quickly access and sustain permanent housing. Housing First is philosophically different from many approaches now used which require homeless people to jump through hoops – such as obtaining sobriety or completing a temporary housing program. The Housing First model is based on the principle that lack of housing is the principal cause of homelessness and that once housed, people are able to address other issues in their lives such as substance abuse. The Bergen County Housing Center serves as a one-stop location and single point of entry for individuals to receive a wide range of services, from temporary shelter to housing placement and support. It collaborates with many community partners, including the Housing Authority of Bergen County and Christ Church Community Development Corporation. Housing First has been endorsed as a best practice by the US Interagency Council on Homelessness in ending chronic homelessness and has been identified as a top priority for HUD.

Rapid Rehousing -- an intervention designed to help individuals and families to quickly exit homelessness and return to permanent housing -- is being used effectively in Mercer County. Rapid re-housing assistance is offered without preconditions and has three core components:

- 1) housing identification;
- 2) financial rent and move-in assistance;
- 3) rapid rehousing and case management and services.

“Report to the Community” by the Mercer Alliance to End Homelessness³ documents the success of Rapid Rehousing in Mercer, where since 2010, **359 families were rehoused in permanent homes in an average time of 64 days, compared to 339 days under the old system.**

Moreover, Rapid Rehousing is a cost-effective measure. Instead of spending taxpayer dollars on expensive motels or shelters, families are given assistance with their rent. The Mercer Alliance report shows that the cost of shelter was \$125/night, transitional housing \$84/night, and Rapid Rehousing Temporary Rental Assistance with wrap around services was only \$50/night.⁴ In contrast, many counties in New Jersey are wasting valuable taxpayer dollars spending money on expensive motels. Imagine trying to cook a healthy meal or supervise your children’s homework in a small motel room. We can – and must – do better.

Build Affordable Housing

Housing in New Jersey is increasingly unaffordable; it is the fourth most expensive place in the nation to rent a two-bedroom apartment.⁵ Housing has become even scarcer and more expensive due to the loss of housing from Superstorm Sandy. Thus, it is critical to build more affordable housing through vigorous enforcement of New Jersey’s Fair Housing Act and Mount Laurel Doctrine, through Sandy Funding, and replenishment of the Special Needs Trust Fund.

³ Report to the Community <http://www.merceralliance.org/pdf/MATEH-2013.pdf>

⁴ Report to the Community, Mercer Alliance, p. 11.

⁵ Out of Reach 2014, Housing and Community Development Network of New Jersey, http://www.hcdnj.org/index.php?option=com_content&view=article&id=577:out-of-reach&catid=21:policy-main&Itemid=125.

Super Storm Sandy Funding: The billions of dollars in federal CDBG-DR funds appropriated for the Sandy recovery effort come with a concomitant obligation to affirmatively further fair housing (AFFH). The state must aggressively pursue this mandate, to insure that segregated housing patterns and exclusionary housing practices in many of the areas most affected by the storm – practices which have greatly contributed to the problem of homelessness – are addressed and remedied through the rebuilding process. The Sandy recovery must result in the creation of inclusionary communities, not the perpetuation of exclusionary ones.

Special Needs Trust Fund: It is imperative that New Jersey replenish the Special Needs Housing Trust Fund as soon as possible. Started by a bond issue under then Governor Richard Cody, the \$200M fund has allowed for the building of permanent homes for approximately 1,800 people with special needs including the homeless, people with developmental disabilities, persons living with mental illness and physical challenges. The chronically homeless should be a prioritized population as the state seeks a new permanent source for this fund.

Repair Gaps in Safety Net

Large gaps in NJ’s “safety net” leads to people living in tents or motels instead of getting assistance to find permanent housing. Only three categories of households are entitled to state and federally funded emergency shelter assistance (EA). The three categories are families with children eligible to receive Temporary Assistance for Needy Families (TANF); adults without children eligible for General Assistance (GA); and disabled people or seniors receiving Supplemental Security Income (SSI). Thousands of TANF, GA and SSI households throughout NJ are able to avoid homelessness, or, if homeless to obtain shelter, because of EA. All other homeless or imminently-homeless households have no such entitlement to EA. These include lower-wage workers, people receiving Social Security Disability or retirement benefits, those on unemployment, and others struggling to keep a roof over their heads. These households compete for a limited amount of generally short-term help, often as little as a week. Others are referred to charitable groups. Many are unable to obtain any help at all. Some end up living in cars or tents. In order to make Rapid Rehousing work, the state must determine how to provide emergency shelter assistance to the population that is not now eligible for welfare. And to retain permanent homes, this group of people may need shallow subsidies and case management to find housing that they can truly afford and to make sure they are accessing all available benefits.

Eliminate the regulatory disqualifier of “causing their own homelessness”—This disqualifier contained at N.J.A.C. 10:90-6.1(c)(3), is punitive and unnecessary. In particular, it punishes children in families where an adult member is deemed to have caused their homelessness, as the whole family is penalized. This broad punitive language vests too much discretion in individual staff at Boards of Social Services and is inconsistent with the Housing First philosophy.

Rethinking Emergency Assistance (EA): We urge DFD to establish a Rapid Rehousing rate, within the framework of existing Emergency Assistance regulations, to give all counties a tool for funding case management in Rapid Rehousing programs. The tool for funding short-term rental assistance already exists under EA. Based on the experience of Mercer County, the rates could be set at \$25 per day for case management and \$25 per day for rental assistance. This

would be a permissive, rather than mandatory approach, so that those counties that wish to continue longer-term transitional housing may still do so.

Expand EA or Create a New Program: The state should create a new program, or expand an existing one, for the purpose of providing emergency shelter assistance to the “gap” populations outlined above, not just TANF, GA, or SSI recipients.

Require that Boards of Social Services make timely payments: This issue causes landlords to refuse continuation of leases and making any new ones with EA as source of payment. While legally they cannot refuse to rent due to source of payment, they can if they are not being paid.

Increase Access to and Funding for Supportive Housing

The testimony by the Supportive Housing Association of New Jersey (SHA) sets forth in more detail recommendations for creating permanent homes and providing supportive services to homeless people with special needs, recommendations that we endorse.

State Rental Assistance Program (SRAP) – We call upon the State to increase the amount of State Rental Assistance Vouchers (SRAPs), which are critically needed in order for supportive housing to be successful. To end chronic homelessness, the State should raise the proportion of SRAPs devoted to the population living on very limited disability payments. We recommend that vouchers returned to the Department of Community Affairs be prioritized for this purpose. The State also should prioritize speeding up the approval process for SRAPs, so that they can be used for those who are homeless, without causing them added months of homelessness once they have been identified.

Medicaid & Supportive Housing: Medicaid billing for services in supportive housing should be expanded beyond DMHAS-contracted providers so that all homeless services providers can bill Medicaid.

Securing Disability Benefits: We recommend that to secure SSI/SSDI benefits for homeless individuals, (which can increase their access to housing), the State adopt the best practice model of SOAR: Social Security Outreach, Access and Recovery. Instituting pilot programs in each county and a performance-based payment for these services will ensure that the disabled, chronically homeless will get these benefits as quickly and effectively as possible.

Conclusion

Comprehensive efforts to reduce and end current homelessness must also recognize that identifying ways to prevent future homelessness is equally critical. Understanding that homelessness is correlated with a lack of affordable housing and that it is caused by many factors, including economic, social, medical, psychological and physical (and very often multiple causes), means that we must all work together to address the contributing causes. Improving educational systems to increase student’s skill levels so employment options are broadened; intervening earlier and providing more accessible mental and behavioral health plus addictions services; offering alternatives to incarceration; improving access to public transportation and affordable housing; improved availability of family therapy and domestic violence counseling; and a wide range of other improvements in our State’s delivery of services to its residents – are all needed to address the persistent crisis of homelessness that plagues our State.