

NATIONAL ALLIANCE TO END HOMELESSNESS
***CARES Act Funds Have Kept Homeless Families Safe So Far During the Pandemic, But
More Stimulus Funds Are Needed for Winter to Shelter, Quarantine, and Re-House***

Introduction: We urge lawmakers to include three House-passed provisions in the next COVID stimulus package:

1. \$11.5 billion in Emergency Solutions Grants (ESG) for the homelessness system,
2. At least \$1 billion in Housing Choice Vouchers to help people most vulnerable to the coronavirus—the elderly, disabled, and sick—secure permanent housing, and
3. \$100 billion in rental fund assistance to help millions of low-income renters avoid homelessness when eviction moratoria expire and they are confronted with massive arrearages in back-rent.

According to the last official point-in-time (PiT) count, there are more than 567,000 people experiencing homelessness in the United States, on a given night, and 211,000 of them live outside or in places unfit for habitation (e.g., cars, parks, sidewalks, abandoned buildings). The number of persons who become homeless over the course of a year is estimated at two to three times the PiT count.

In March, at the beginning of the pandemic, experts at several major universities determined that the cost of safely sheltering and quarantining the nation's homeless population is \$11.5 billion for one year. An additional \$4 billion was added to that amount in order to secure housing for as many homeless families and individuals as possible. Hence, the need for \$15.5 billion in ESG to help people experiencing homelessness address the health and economic consequences of COVID-19 and the recession it caused.

The CARES Act provided the homelessness system in March with a crucial \$4 billion in initial ESG funding. Provision of the remaining \$11.5 billion in ESG would be a natural extension of the bipartisan CARES Act. ESG is a flexible program, thanks to Congress and HUD. Communities use ESG differently, but during the pandemic it is commonly used to pay for shelter spaces, motel quarantine sites, personnel and supplies, outreach to unsheltered homeless people, and re-housing efforts.

1. CARES Act ESG is being used to safeguard the health of people experiencing homelessness...

People experiencing homelessness, particularly the unsheltered, are in poor health compared to the general population. In fact, experts feared at the beginning of the pandemic that homeless families and individuals were much more likely to be hospitalized, require critical care, and die because of COVID-19. Indeed, it was often reported back in March that, seemingly overnight, scores of shelter residents had been infected with the coronavirus. Ultimately, most statistics indicate that people experiencing homelessness are slightly more likely to contract COVID-19 than the general population but less likely to die. CARES Act ESG made this remarkable public health accomplishment possible because the proceeds paid for...

a. the establishment of safe shelter spaces

This is not just moving beds farther apart—because in many cases they are, literally, screwed into the floor—and taking bunk beds apart, but also significantly upgrading cleaning and laundering and adapting or expanding common areas: bathrooms, showers, and dining rooms. However, in moving residents further apart, consistent with CDC guidelines, capacity is lost, so shelters have expanded in their current locations, moved to new locations, opened up new locations, adapted by moving beds out into the halls, and borrowed for free facilities from governments, businesses, and charities. Night facilities are now open all day and Winter facilities stayed open. Expansion has also required increases in personnel in order to help more clients and staff more facilities, which must be open longer. Nobody gets rich in homelessness, but every successful shelter requires a dedicated workforce: front-line staff, street outreach workers, facilities maintenance staff, social workers, behavioral health specialists, physical health specialists, and food prep workers. Volunteers tend to be older; and many of them have understandably taken leave for health reasons and been replaced by paid staff.

b. the creation of motel quarantine spaces

Providers can agree on three things when it comes to motels. First, they provide ideal quarantine spaces for those people experiencing homelessness who are most vulnerable to the coronavirus (so they can be in their own spaces and more easily follow safe practices). Second, they are very expensive, even when an agreement has been reached for FEMA to pick up 75% of the costs. It has been estimated that the services which must be paid for by the community are 40% of the overall costs. Nevertheless, this option has proven so valuable that some communities pay for motel quarantine spaces without any FEMA subsidy. If a community prefers to avoid the higher costs and longer start-up times associated with new shelters, particularly if the need is short-term or for quick or unexpected surges, then motel spaces are an acceptable alternative. Third, many

communities find motels useful in de-congregating their shelters in order to achieve social distancing and in inducing to come inside people experiencing unsheltered homelessness who eschew congregate shelter because of the coronavirus.

2. ...but additional ESG is necessary to safely shelter people experiencing homelessness.

The costs associated with creating safe shelter spaces, securing motel quarantine spaces, and conducting aggressive outreach aren't going away. Shelters continue to incur these substantial expenses. Given that most experts predict that COVID-19 will be with us well into 2021, the homelessness system obviously needs additional ESG. We all know, in our own lives, how easy it is to take short-cuts that put us at higher risk of contracting the virus, right? Let's not put shelters in the position of having to cut corners and risk the health of their clients because they were denied additional federal assistance. Similarly, it will continue to make sense to place the most vulnerable homeless people in motel quarantine spaces. And it is in everyone's interest for providers to continue to use outreach to keep unsheltered homeless people healthy.

3. The homelessness system must now be adequately resourced to face three daunting challenges:

- a. **Evictions:** Millions of low-income renters are benefitting from eviction moratoria but nevertheless incurring massive arrearages in back-rent that they will be unable to pay because of income lost during the COVID-19 recession, absent the establishment of a robust rental assistance fund. However, many areas are experiencing increases in homelessness because evictions have already started, notwithstanding various moratoria.
- b. **Winter:** In many areas, the weather turns cold during the Winter months, sometimes dangerously cold, increasing the risk of frostbite and hypothermia for unsheltered families and individuals. During previous Winters, people experiencing homelessness could be packed inside shelters, gymnasiums, and houses of worship when temperatures dropped. Because of COVID-19, however, and the requirements of social distancing, many areas will have to increase their shelter capacity—again!—in order to protect people from the cold while still protecting them from the coronavirus. This may mean expanding existing shelter spaces, establishing new shelter spaces, or using motel spaces. However, the deficit in safe spaces is offset, the homelessness system needs to be adequately resourced. The anticipated cost of ensuring additional shelter space during Winter is part of the \$11.5 billion overall cost determined by experts to safely shelter and quarantine the nation's population for one year, or until March 2021.
- c. **Economy:** Many officials in the homelessness system are worried about the pace of the economic recovery in their areas. A slower recovery makes it more difficult for people at the bottom end of the economic ladder to find jobs and stay housed. For providers, a slower recovery means higher demands for services—from shelter spaces to outreach to rent subsidies, which drive up their expenses, and makes it more difficult to keep people experiencing homelessness safe without additional federal assistance.

4. Additional ESG is needed to re-house people experiencing homelessness during this pandemic, which both promotes their health and ends their homelessness

What's the best way to protect the health of a family or individual experiencing homelessness from a highly infectious virus? What's the best way to end the homelessness of that family or individual? It just so happens that both questions have the same answer: get that family or individual into permanent housing. And ask yourself this: does it make any sense during this pandemic to get so many homeless families and individuals into shelters and motels, including the most vulnerable (the aged, the disabled, and the ill), just to put them back into shelters and on the streets when the CARES Act ESG expires? Of course not. That's why communities are using CARES Act ESG, and in anticipation of additional ESG, to pay for rapid re-housing (RRH) to get them into permanent housing.

RRH provides short-term rental assistance and light services, and it works particularly well with people who are relatively self-sufficient as well as those who are new to homelessness. The goals are to help people obtain housing quickly, increase self-sufficiency, and stay housed. It is offered without preconditions (such as employment, income, absence of criminal record, or sobriety) and the resources and services provided are typically tailored to the needs of the person. The core components of RRH are housing identification, rent and move-in assistance, and case management and services. RRH is widely considered to be a successful program, and it is largely credited with the significant reduction in family homelessness since 2013. Under the progressive engagement approach, clients enrolled in RRH are consistently assessed by case managers to determine which persons have higher needs and would benefit from Housing Choice Vouchers (for economic reasons) or Permanent Supportive Housing spaces (for health reasons). ESG may not be used to pay for either option, but it may be used to pay for RRH, which can serve as a bridge until funding for those other options become available.