



# Using EHVs to Get People Housed:

# Focus Group Discussions on Challenges and Current Strategies

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When Congress passed the American Rescue Plan Act of 2021, it created new opportunities for people experiencing homelessness to access long-term housing subsidies through the Emergency Housing Voucher (EHV) program. Housing Choice Vouchers (HCV) and Emergency Housing Vouchers are quite similar, a major difference being that Public Housing Authorities (PHAs) typically take HCV referrals off their own waiting lists, whereas for EHVs they have to consider referrals from the Continuum of Care (CoC) first. In tracking the progress of the program, the Alliance surveyed and conducted a series of focus groups with homeless services leaders. The current report is about the latter effort.

The conversations revealed challenges with locating affordable and available units, inequitable housing opportunities, partnerships with PHAs, staffing shortages, and application requirements. Communities employed a number of strategies to overcome these problems but still had a number of clients who had been issued vouchers but still had not signed a lease.

Their experiences could inform the efforts of other communities while having implications for current and future policy.

# I. Methodology

The Alliance held a series of eight focus group discussions between February 1 and March 4 of 2022. Each focus group included about six to seven people who were mostly representatives of CoCs. Two focus group members worked for a PHA. In total, 47 people participated, representing 35 CoCs.

The participants were originally targeted for participation in an EHV survey that the Alliance conducted in November 2021. Their names and emails were obtained from the U.S. Department of Housing and Urban Development (HUD)'s Grantee Contact Page on September 9, 2021. Of the survey participants, focus group members were chosen to ensure geographic and EHV programmatic diversity.

This report reflects the comments of focus group members. The Alliance did not independently verify their comments.

## II. Status of Emergency Housing Voucher Efforts

EHVs are housing subsidies that operate similarly to Housing Choice Vouchers. But in the case of EHVs, CoCs are tasked to refer people who are literally or recently homeless to the PHAs, that then handle and approve their applications for a long-term subsidy. The communities participating in the Alliance's focus groups largely shared a common story—they had issued a sizable number of vouchers, but their lease-up efforts were stalled. However, there were a few outliers, like one community that had zero lease-ups. At the opposite end of the spectrum, one community had distributed all its vouchers and leased-up nearly all its program participants.

The Alliance focus group communities broadly reflected national-level program data. According to <u>HUD's EHV Dashboard</u>, at the end of February 2022, only 17.51% of the country's vouchers were leased up. And, while some PHAs had leased up all their voucher participants, there were no states with a 100% lease-up rate.

## III. Deciding Who Gets the Vouchers

Congress created the Emergency Housing Voucher program for people who are literally homeless, at risk of homelessness, fleeing or attempting to flee domestic violence, or recently homeless and for whom providing rental assistance will prevent a return to homelessness. Beyond these broad categories, communities had the option to target specific subpopulations.

In deciding who should get EHVs, most communities engaged in a calculus that seemed to rely on two primary factors: who could lease up the fastest and who is most vulnerable.

Who Could Lease Up the Fastest? Certain factors put pressure on PHAs to move quickly and reduce participant turnover. The vouchers were a part of federal pandemic relief

efforts that were designed to move quickly. Having unleased vouchers can figure into federal resource distribution decisions—specifically, vouchers that are not leased quickly enough can be recaptured and redistributed to other PHAs. And, if a participant leaves the program, their voucher can't be reissued after September 2023.

These circumstances and rules influenced many communities to implement a move-on strategy, issuing vouchers to homeless services clients eligible to move on from Permanent Supportive Housing (PSH) or Rapid Re-Housing (RRH) and who might otherwise reenter homelessness if they didn't receive additional assistance. Agencies assumed this would be an easy and quick group to house—participants could remain in their units but transition from one form of assistance to another. Beyond choosing move-on strategies, concerns about ease and quickness of lease-up also led some communities to target those who were already enrolled in services or who had limited service needs.

Who Is Most Vulnerable? In focusing on the second factor (evaluations of vulnerability), many communities relied on priorities created through their coordinated entry processes. Alternatively, they decided to target specific subpopulations that included people who are unsheltered, people experiencing chronic homelessness, people with disabilities, families with children, racial/ethnic groups overrepresented in homelessness or underrepresented in housing, and returning citizens.

# IV. Barriers to Getting People Housed

The primary goal of the Emergency Housing Voucher program is to ensure that more people experiencing homelessness (or at risk of homelessness) secure stable housing. Focus group members described various strategies that communities used to reach that goal. However, they faced some common barriers that should inform future policy and practice.

#### Limited Availability of Affordable Housing

"... It feels like we're siloed, and no one is really helping us. And we've let people know that we have over 100 vouchers, but we only leased-up 11. [We ask community leaders] 'How do we lease these vouchers before they go away in September?' And it's crickets."

-CoC Leader

Finding places for voucher holders to live was an often-cited barrier to implementing the EHV program. Focus group members experienced delays in identifying enough available units and enough landlords willing to participate. As evidenced in the above quote, CoCs expressed frustration with the lack of support from PHAs and others in navigating these challenges.

"IT FEELS LIKE WE'RE IN THE SAME PLACE WHERE THE WEST COAST WAS IN FIVE YEARS AGO WHERE RENTAL PRICES JUST STARTED TO JUMP, AND THE FAIR MARKET RENT (FMR) VALUE LEASING CANNOT KEEP UP WHAT WAS HAPPENING."

- FOCUS GROUP MEMBER

Many communities across America are generally experiencing rental market challenges. The number of renter households (and therefore demand for units) <u>surged in 2021</u> after a pandemic-era lull. The nation's vacancy rates dropped to <u>5.8 percent</u>, a low that hasn't existed since the mid-1980s. The lack of housing for low-income renters is likely to be particularly acute as higher-income renters compete with them for available housing. According to HUD, even in 2019, there were <u>dramatic shortages</u> in affordable, available, and adequate rental units for this population. Only 36 such units were available for every 100 extremely low-income renter households.

The Alliance's focus groups gave voice to these challenging circumstances, highlighting the difficulties in connecting EHV voucher holders to available units. They also pointed to additional factors that complicated their work:

- Competition Among EHV Holders. PHAs issued multiple vouchers within a short period of time, leaving voucher holders to compete with each other for a community's affordable and available units.
- Competition Among Programs. Vast government investments in pandemic relief also
  created competition among programs, forcing administrators into a race to secure and
  maintain units for their clients. Notably, Emergency Shelter Grants and Emergency
  Rental Assistance dollars can be used for Rapid Re-Housing and other housing
  subsidies. CoCs noted that every subsidy program has different incentives that allow
  landlords to shop around for the best deal and leverage incentive offers against one
  another.
- Landlord Rejections. Multiple CoCs indicated that landlords were excluding their clients from housing opportunities. Barriers were rooted in consumers' personal histories, largely with the criminal justice system and past evictions. Other challenges were associated with the EHV program—for example, landlords refused to work with PHAs or deal with inspections that may have required them to make renovations.

Ironically, in some cases, households that were already housed through the RRH program have been difficult to place. Many communities thought landlords would readily accept vouchers for their existing tenants receiving RRH assistance. Some landlords, however, are refusing to make the switch from accepting RRH subsidies to accepting EHV ones, likely due to unwillingness to abide by the rules of the voucher program. According to one focus group member, "We're housing our clients in our program, but when it comes time for them to leave [the RRH program] and go to a housing authority or housing choice voucher program, landlords just don't want any part of it. Even with the incentives we put in... some market forces are just against [the EHV Program]."

"MONEY ENDED UP BEING THE SOLUTION TO GET MORE LANDLORDS. PEOPLE WERE UPPING LANDLORD INCENTIVES, SECURITY DEPOSITS, AND BONUSES. THERE'S JUST A LOT OF MONEY BEING THROWN AT LANDLORDS TO TRY AND GET THEM TO JOIN IN BECAUSE THEY FEEL EMBARRASSED TAKING ON POTENTIALLY HOMELESS CLIENTS."

FOCUS GROUP MEMBER

- Mismatches Between Property and People. At least one CoC noted that most of the people experiencing homelessness in their community were single adults but that there were limited one-bedroom vacancies in which to house them.
- Shifting Circumstances. Various factors impacted rental housing during these unusual pandemic times, including the surging demand for rentals, expiration of eviction moratoria, and landlords selling their properties due to the crisis. Landlords responded to the market. A Maryland CoC noted that some of the larger property owners previously had fixed rent rates but had started shifting their asks on what seemed like a daily basis. Others have been making different changes like shifting away from including utilities as a part of the rental price.
- Consumer Preferences. Some system leaders noted difficulty in identifying places that meet the approval of consumers. Again, there have been problems with what they thought would be a simple process of shifting people from RRH to EHV. Many consumers do not want to stay in their RRH-funded units; they want to use EHV to move into better housing. Indeed, at least one CoC spoke about available properties being old, in poor condition, and unlikely to pass inspections.

Challenges around identifying units dominated the focus group conversations. Communities clearly found it difficult to overcome these challenges. However, they told the Alliance that they employed multiple mitigation strategies (see below chart).

Broad Strategy	Activities
Identifying and Making Connections to Properties	<ul> <li>EHV programs have:</li> <li>Hired new housing navigators to help conduct housing searches.</li> <li>Partnered or subcontracted with relevant non-profits to help with housing searches.</li> <li>Used technology (e.g., Google Docs, SmartSheets, or marketed software) to create new platforms for sharing information about housing opportunities and/or tracking client progress across agencies (the CoC and PHA).</li> </ul>
Landlord Engagement	Communities recruited landlords to provide units and build relationships with them. Communities have worked with landlords to negotiate the following:
	Rental Prices
	<ul> <li>Unit Set-Asides (i.e. reserving units for EHV holders and ensuring that participants will occupy those units)</li> </ul>
	• Early Moves (moving people into housing before the necessary inspections, ensuring landlords don't lose out on rental payments in the interim)
	<ul> <li>Limited-Term Leases (for example, 1-year leases with a promise that EHV holders will move on after that period)</li> </ul>
	• Shared Housing Arrangements (allowing individual consumers to share apartments)
	Partnerships (including with low-income housing developers)

<b>Broad Strategy</b>	Activities
Landlord Incentives	<ul> <li>Communities provided various types of financial incentives, including:</li> <li>Lump sum financial incentives upon lease signing</li> <li>Bonuses for accepting consumers with certain barriers (e.g. eviction history or criminal record)</li> <li>Fees for holding apartments open for EHV participants</li> <li>An additional month's rent</li> <li>An additional security deposit</li> <li>Paying for repairs on properties so they can pass inspections</li> <li>Waiving debts owed by landlords to PHAs</li> </ul>
Taking Advantage of Program Flexibilities	<ul> <li>EHV programs have:</li> <li>Paid more towards rent than the Fair Market Rent standard</li> <li>Extended the required deadline for EHV holders to find housing</li> <li>Allowed for portability (vouchers to be used in other communities)</li> </ul>

#### Influences of Race, Ethnicity, and Nationality

The Alliance's conversations with CoCs suggest that issues related to identity may have impacted efforts to sign leases and move EHV participants into units. Focus group members mentioned structural challenges, including redlining and zoning ordinances (preventing the building of multi-family units), policies that have segregated people by race and helped limit the availability of affordable housing. Immigration policy failures also left many people undocumented and ineligible

for government programs like EHV.

Also highlighted in the focus group discussions were non-structural, one-on-one forms of discrimination. As noted above, programs encountered landlords who simply refused to rent to their clients. In some cases, denials based on seemingly neutral criteria such as criminal records, past evictions, and other factors may have been pretexts for race, ethnicity-, or nationality-based exclusion.

"WE'RE LIKE A LOT OF COMMUNITIES—VERY SEGREGATED. A LOT OF REDLINE MAPS ARE STILL PRETTY WELL HOLDING UP TODAY. SO HOPEFULLY WITH THAT [MOBILITY DEMONSTRATION GRANT], WE CAN GET PEOPLE TO USE THEIR VOUCHERS IN DIFFERENT AND HIGHER OPPORTUNITY NEIGHBORHOODS."

- FOCUS GROUP MEMBER

Communities struggled with how to manage these weighty societal issues that are external to the running of their systems. However, they mentioned the following strategies:

• Strategize Neighborhood Placements: At least one community was strategically thinking about where it placed clients—seeking higher income neighborhoods and actively avoiding contributing to pockets of poverty and racial segregation.

- Increase voucher value: Some communities have increased the value of vouchers to allow people to move into areas in which they otherwise could not afford to live.
- Partner people with roommates who can be voucher holders: Undocumented people benefit from living with family members and others who are eligible for vouchers.

#### CoC and PHA Partnerships

The EHV program requires partnerships between PHAs and CoCs with the former to make critical decisions like certifying participants for program eligibility and determining housing assistance amounts. Multiple CoCs had positive things to say about the relationships they developed with PHAs while implementing the Emergency Housing Voucher program. For instance, they were able to initiate or deepen

"OUR HOUSING AUTHORITIES DON'T DO BEYOND WHAT THEY DO, SO I DON'T THINK THEY UNDERSTAND THE POPULATION THAT WE'RE WORKING WITH... THEY JUST EXPECT EVERYTHING TO BE DONE AND COMPLETE. AND WHEN IT'S NOT, THEY JUST WANT TO DENY AND MOVE ONTO THE NEXT PERSON AS QUICKLY AS POSSIBLE. SO, THIS CREATES A LOT OF FRICTION AND COMMUNICATION STRUGGLES WITH US."

- FOCUS GROUP MEMBER

partnerships they hoped would continue. However, challenges were also common.

Since CoCs can cover large geographic areas, including multiple counties or whole states, some homeless system staff had to manage relationships and communications with multiple PHAs. By far, the biggest challenge expressed was PHAs having significant decision-making authority while lacking experience with homelessness.

The lack of a shared understanding about the population led to disagreements on how to spend resources and which clients to prioritize for voucher participation. PHAs often expressed concern that people identified via coordinated entry would not be able to retain housing. This includes people who are chronically homeless,

"OUR SERVICE CAPACITY IS SEVERELY STRAINED... SOME OF THEM CAN'T MEET THE BASIC REQUIREMENTS OF GRANTS OR PROGRAMS... WE'VE HAD TO TRANSITION OUT SEVERAL PROVIDERS LAST YEAR."

- COC LEADER

unsheltered, and experiencing other significant challenges. These battles were often tied to supportive services and case management—when CoCs cannot provide them, PHAs are even more fearful that housing placements will fail. These fears likely stem from the inability (as spelled out by Congress) to turn vouchers over to new participants after September 30, 2023.

Other sources of tension included housing people with criminal records and the desired speed for making referrals. As one CoC leader put it, "The pressure that the PHAs are feeling, either under HUD or from whomever, is now trickling down onto us. They want their referrals faster than we can really make those connections to the case managers to sustain the services."

Beyond such disagreements, there were also communication challenges attached to working across agencies. A few CoCs reported difficulties setting up meetings, getting people on the phone, or having equal levels of technological experience. The results were impacting clients and the ability to get people housed: "The hardest part is not getting clear information [from

"UNTIL HUD TELLS HOUSING AUTHORITIES THAT IT IS THEIR JOB TO HOUSE HOMELESS PEOPLE, IT IS JUST GOING TO BE PAINFUL. AND IF IT IS THEIR JOB TO HOUSE HOMELESS PEOPLE, THEN THERE'S GOT TO BE SERVICES ATTACHED TO THE PROGRAMS TO MAKE IT WORK."

- COC LEADER

PHAs] about specific people and not knowing if [clients] are denied or missing documents until weeks later. That's been really challenging because we can easily resolve that."

#### COMMUNITIES DEVELOPED STRATEGIES TO MITIGATE THESE CHALLENGES, INCLUDING:

**Educating PHAs.** CoCs worked to educate PHAs about homelessness, helping to develop shared understandings of the issues and to set mutual goals.

**Setting regular meetings.** Multiple people highlighted the value of regularly scheduled crossagency meetings to resolve outstanding issues and discuss the status of each applicant and voucher holder seeking housing.

**Creating shared tracking systems.** Similar to meetings, communities used technology to share updated program data and client status between PHAs and CoCs.

**Identifying resources to pay for services.** In addressing PHA (and CoC) concerns about services, communities identified sources to help such as Medicaid and state and local funds.

#### Staffing

"It's weird [from our] scarcity mindset that we now have resources, but no staff."

Focus Group Member

"There is not a member of our CoC that does not have multiple open positions. And everybody has raised rates as much as they can to fill those. It doesn't matter if it's rural or urban..."

- Focus Group Member

According to focus group discussions, severe staffing shortages made it difficult for communities to issue vouchers and secure housing placements. CoC representatives spoke about low pay rates and tiring and traumatic work, factors that made it difficult to hire and retain staff. The pandemic exacerbated these pre-existing workforce issues. Periodically, existing staff were out sick or left the profession (presumably as a part of

the "Great Resignation"). Unfilled job vacancies and high turnover made it difficult to achieve program goals. The need for administrators to spend time recruiting and to continuously train new staff further contributed to EHV program delays.

Focus group members explained the need for good case management. It is critical in helping clients negotiate the EHV application process, find a housing unit to lease, and connect to supportive

"IT'S INCREDIBLY TRAUMATIC WORK, AND WE'RE HIRING PEOPLE RIGHT OUT OF COLLEGE OR THINK THAT THEY MIGHT WANT TO WORK IN THE SOCIAL SECTOR OR NON-PROFIT. THEN, THEY HAVE THEIR FIRST DEATH OR SOMEONE THAT RELAPSES, AND IT'S TOO MUCH. THERE ISN'T ENOUGH RESILIENCE IN MOST PEOPLE TO DO THIS WORK. SO, THAT'S REALLY HARD ON RETENTION."

- COC LEADER

services. However, many communities do not have enough of these workers. Existing case managers are overworked—at least one focus group member said that, in their community, these overburdened workers were forgetting to submit documents or failing to fully track the progress of clients looking for housing.

For multiple homeless services systems and providers, go-to solutions did not fully solve the problem. Hiring incentives had limited impact, and partnering with other agencies was not helpful when those agencies were having similar staffing issues.

Making matters worse, some PHAs also experienced staffing challenges. CoCs discussed voucher distribution delays rooted in time spent rebuilding relationships every time a PHA contact left their job and a new one was hired. PHA staff changes were cited as a barrier to cross agency communications.

"I DON'T KNOW HOW TO TRAIN STAFF EFFICIENTLY BECAUSE THE [PROGRAMS AND THEIR METHODOLOGY] WILL LIKELY BE DIFFERENT AND THE [SAME STAFF] WILL LIKELY NOT BE HERE."

- FOCUS GROUP MEMBER

An insufficient number of housing authority professionals available to process applications or conduct inspections further delayed EHV lease-ups and move-ins.

#### COMMUNITY STRATEGIES TO MITIGATE THESE CHALLENGES HAVE INCLUDED:

**Employee Incentives.** Multiple CoCs used COVID relief funds for incentives such as wage increases and bonuses to recruit and maintain staff. However, such solutions did not fully solve the problem.

**Creating New Roles.** Some CoCs hired special staff that could help with the EHV program. These individuals were primarily housing locators or housing navigators. At least one community hired an in-house EHV coordinator.

**Creative Role Filling.** Communities shifted staff from other roles and working to identify non-traditional employees to help.

#### **Application Requirements**

Applying for EHVs is a multi-step process that includes filling out forms, producing personal documents, and potentially traveling to offices which may be in different parts of town from where a person stays. These requirements can be burdensome, especially for people managing multiple challenges such as a lack of a stable place to sleep at night, limited access to transportation, no secure place to keep personal items and paperwork, mental or physical health issues, disabilities, and ongoing stress.

Case managers and other agency/organization employees can help clients negotiate the application process. However, some communities clearly expressed that they were experiencing staffing shortages. Communication between homeless services and PHAs can also be a barrier to successfully completing applications. At least one focus group member indicated that the PHA hadn't been informing homeless services workers when clients failed to submit necessary documents. Insufficient communication delayed application approvals and caused preventable rejections from the program.

#### COMMUNITIES WORKED TO MITIGATE THESE CHALLENGES VIA THE FOLLOWING:

**Educating PHAs.** Homeless services professionals were engaged in ongoing efforts to educate PHAs about their clients' needs. They worked to ensure that PHAs understood the need to maintain lines of communication and grant EHV applicants some leeway when they don't negotiate the application process perfectly.

**Simplifying the process.** Some communities have waived select document requirements to speed up the process. For example, at least one PHA that participated in the Alliance's focus groups agreed to have informational meetings via group video calls to reduce the number of times clients must visit its office.

**Hiring new staff.** Some homeless services agencies have hired new case managers or other staff to help people experiencing homelessness navigate the EHV application process.

## V. Implications

Alliance focus group discussions detailed EHV implementation barriers but also demonstrated the strategies communities have been developing to surmount them. The federal government should examine the strategies that communities developed and adopted and consider making those that were effective part of the Housing Choice Voucher program.

"...THAT SAID I DON'T WANT IT TO SOUND ALL KINDS OF NEGATIVE... [OF THE] PEOPLE THAT WE HAVE HAD HOUSED, SOME OF THEM HAVE BEEN EXPERIENCING HOMELESSNESS FOR 5, 10 YEARS. SO THERE ARE BIG WINS THAT OTHERWISE WOULDN'T HAVE BEEN PROVIDED EXCEPT FOR WITH THESE EHV VOUCHERS."

- FOCUS GROUP MEMBER

Further, despite the challenges associated with EHVs, many focus group members welcomed these vouchers and wanted more. They represent real housing opportunities for people and families who would otherwise have none. Indeed, the <a href="President's FY 2023">President's FY 2023</a> budget proposal includes \$1.6 billion for 200,000 new vouchers. The proposal specifically mentions people experiencing homelessness and the potential for targeting vouchers towards them (and other groups that are the focus of EHVs). New vouchers should be supported, and Congress and HUD should target more vouchers to literally homeless people and other vulnerable populations. However, future policy must be informed by lessons learned from the current version of the EHV program.

#### Thus, the following seems relevant:

- 1. Continuing and Enhancing Platforms for Information Sharing and Technical Assistance. In general, there should be continued opportunities for CoCs and PHAs to share details about what works and to jointly develop new ideas for reducing challenges. For example, they should share information about how Emergency Rental Assistance and other COVID-19 relief could be mobilized to advance EHV goals. HUD has offered "Office Hours" (or webinars) on EHV and many other topics. Organizations like the Alliance have also provided informational materials and opportunities to share. These activities must continue as communities work towards the finish line of getting all their current EHVs leased up.
- 2. Ensuring Broader Access. Pressure to lease vouchers quickly and avoid turnover contributed to decisions to issue vouchers to households moving on from PSH or RRH and/or with limited need for new services. However, vouchers targeting people experiencing homelessness should also reach those who have greater needs, including those who are unsheltered or chronically homeless.
  - Within the current EHV program, HUD should be urged not to recapture vouchers from communities that target difficult-to-serve subpopulations if that is the reason the process is taking longer. In general, the agency should also make clear to communities that they won't face penalties for trying to reach literally homeless people experiencing severe or multiple challenges. Future vouchers targeted to people experiencing homelessness (especially those with high needs), must shape their rules to ensure that this group is not left behind—including accounting for the reality that it takes more time and effort to reach this population AND resources must be used effectively.
- 3. Additional Voucher Program-Related Reforms. The Housing Choice Voucher program could be tailored in other ways that would improve targeting to people experiencing homelessness. Examples include increasing the value of the targeted vouchers for these hard-to-house consumers; doing more to support shared housing arrangements; and allowing CoCs (as experts on homelessness) to identify which people experiencing homelessness should be prioritized for long-term housing assistance.

Further, more <u>states and localities</u> should <u>craft strong and effective laws</u> that protect voucher holders from source of income discrimination (i.e. rejections from landlords

solely based on their use of a voucher to pay rent). An even better option would be a strong federal law that would protect everyone in the country no matter where they live. Similarly, fair housing laws (protecting people from racial and other forms of identity-based discrimination) and means of enforcing them should be strengthened at every level of government.

- 4. Reducing Competition. Reducing competition will help clients find housing and potentially reduce program costs. Technical assistance should focus on encouraging and supporting the various housing subsidy programs to coordinate their work with landlords, reducing the competition among their incentive offerings. Future efforts to target housing vouchers to people experiencing homelessness should also be accompanied by policies that encourage or facilitate coordination among programs.
- 5. Researching Pressing Problems. Research should focus on how various forms of discrimination impact people experiencing homelessness when they look for housing. Similar attention should be focused on staffing shortages that have worsened during the pandemic. Practices designed to overcome these obstacles should be identified, developed, and evaluated. The federal government should target resources towards such efforts.
- 6. Expanding Availability and Access to Affordable Housing. The nation must continue to build and rehab more affordable housing. The units developed through government investments should be available to people experiencing homelessness, including through policies that set aside units for homeless households receiving vouchers and other subsidies.

