July 26, 2019

The Honorable Maxine Waters
Chair, House Financial Services Committee
2222 Rayburn House Office Building
Washington, D.C. 20515


Dear Chair Waters,

On behalf of the Los Angeles Homeless Services Authority (LAHSA) and the Los Angeles Continuum of Care (LA CoC), we write in support of and offer recommendations on H.R.1978 and its Senate companion legislation S.923. H.R.1978 would authorize a grant program within the U.S. Department of Health and Human Services for housing and services that would serve individuals, youth, and families experiencing homelessness.

LAHSA is a joint powers authority of the City and County of Los Angeles and serves as the lead agency in the LA CoC. LAHSA is responsible for funding a significant portion of the interim housing, permanent housing, and supportive services for individuals and families experiencing homelessness in Los Angeles County and works to ensure safe and stable housing for all.

Support of Bill

On any given night in Los Angeles County, there are just under 59,000 individuals experiencing homelessness.¹ This number reflects a 12% increase from the year prior, when almost 53,000 individuals were experiencing homelessness on a given night.² Despite the sharp increase, the homeless services delivery system more than doubled its capacity in housing, outreach, and services during the previous three years, housing over 21,000 people in 2018.³ However, the severe economic and housing crisis has been forcing more and more vulnerable individuals to fall into homelessness everyday — far more than the system is equipped to keep pace with.

For these reasons, new federal resources, such as those provided by H.R.1978, are needed to complement and match local investments. The bill would provide grant funding for entities to carry out activities and pay capital costs associated with providing housing and supportive services to homeless individuals, youth, and families. H.R.1978 recognizes that many entities around the country have the infrastructure in place to carry out these activities but lack sufficient funding and capacity. The grant funding created under this bill can be used to enhance and expand this existing infrastructure or build out new programs to fill long-standing service gaps. For example, in Los Angeles County alone, there are over 31,000 individuals who have been assessed by our system and are ready for housing; however, they are unable to move off the street because there are not enough housing resources available.⁴

² Ibid.
³ Ibid.
⁴ Los Angeles Homeless Services Authority. (2019). 2019 Greater Los Angeles Homeless Count Executive Summary
One of the key uses of funding that is eligible under this bill would be to grow the stock of affordable and supportive housing. This is especially needed in unaffordable jurisdictions, such as Los Angeles County. The county currently has a deficit of over 140,000 homes affordable to its deeply low-income residents; these are residents who make 0-15% of Area Median Income (AMI) and are at immediate risk of homelessness.

The bill also recognizes the importance of robust supportive services being attached to housing interventions and requires entities who apply for funding under the bill to provide mental and behavioral health, substance use disorder, life skills, employment, and job training services, among others. Furthermore, pairing housing with supportive services is the model used for permanent supportive housing (PSH), one of the most effective evidence-based interventions for people experiencing homelessness who have higher acuity needs. PSH is associated with positive health impacts for those experiencing chronic homelessness, especially for those with a mental health and/or substance use diagnosis. By providing a more holistic approach, H.R.1978 will be able to provide families and individuals stability while addressing their health and wellbeing at the same time.

H.R.1978 would also save the public money—a chronically homeless individual that remains unsheltered costs taxpayers an average of $35,578 per year, while housing that individual can provide savings of up to 80%. Not only will this bill likely present cost savings for the public, but it would address the root causes of homelessness together—the need for increased housing and services.

Recommendations

While LAHSA supports the bill, we have several recommendations that look to increase effectiveness and further ground the program in evidenced-based best practices.

Outreach Efforts

LAHSA recommends amending the language of the bill which requests that entities “coordinate with local law enforcement...to conduct outreach and better identify at-risk or homeless populations” in order to be eligible for the proposed grant funding. LAHSA understands that law enforcement is a critical partner in homeless outreach efforts, however jurisdictions should not be incentivized to have law enforcement as the primary entity leading outreach efforts, as this may engender distrust among the population experiencing homelessness. According to LAHSA’s 2018 Greater Los Angeles Homeless Count, 63% of individuals experiencing unsheltered homelessness have had some type of criminal justice system involvement in their lifetime and may have trauma associated with individuals in enforcement positions. Furthermore, according to best practices for engaging with people experiencing homelessness, outreach should be led by agencies and individuals who have demonstrated skills and experience in engaging

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vulnerable and unsheltered individuals, such as homeless services staff, social workers, and mental health professionals, with law enforcement acting as a collaborative partner.⁸

Addition of Housing First

In addition to language requiring entities to follow trauma-informed care best practices to be eligible for funding, LAHSA strongly encourages addition of language requiring entities to employ a Housing First approach. Recognizing that housing is the cornerstone of stability, Housing First recognizes that finding housing and coming indoors is a necessary prerequisite to finding the stability to begin considering participation in supportive services. Housing First makes every effort to provide flexibility to keep people in housing and does not require enrollment in services as a prerequisite to these resources. Housing First has demonstrated effectiveness in helping people experiencing homelessness access housing faster and remain stably housed longer.⁹ A body of research demonstrates that clients in programs using a Housing First model report increased levels of autonomy, choice, and control,¹⁰ improved physical and behavioral health outcomes, and reduced use of crisis services such as hospitals and jails.¹¹

Case Management Ratios

While LAHSA understands that requiring a 1:20 case management ratio is an ideal scenario, it is not a feasible requirement for most service providers working in jurisdictions where the inflow of households into homelessness is high. Because most other funding sources for homeless services do not institute a cap on caseloads, requiring this of a program or service funded under this bill could leave grantees unable to augment existing successful programs where caseloads exceed the 1:20 ratio. While leveraging existing programs would enable grantees under this bill to use funds in a more efficient manner, entities could be forced to create new programs funded by this grant to meet case management requirements. The authors should instead consider this bill as an opportunity to incentivize local jurisdictions to lower case management ratios and provide resources to help these jurisdictions achieve these ratios, rather than requiring them as a condition of funding.

Other Recommendations

LAHSA further recommends the following:

- Consider the U.S. Department of Housing and Urban Development as the administrative body for the proposed grant program, rather than the U.S. Department of Health and Human Resources, Health Resources and Services Administration.
- Include Continuums of Care in the list of entities eligible for funding.
- Limit the reporting requirements to housing and housing stability and connection to supportive services for adults and children. The tracking of outcomes such as improvements in physical and mental health, prompt receipt of care, and access to trauma-informed mental health care for children may be onerous for providers to track and report regularly. The tracking of specific health

¹⁰ Ibid.
¹¹ United States Department of Housing and Urban Development. (2014) Housing First in Permanent Supportive Housing.
data may inadvertently violate the Health Insurance Portability and Accountability Act of 1996 (HIPAA), as well.

LAHSA appreciates the thoughtful, comprehensive approach of this bill in reducing homelessness. We are in support of H.R.1978, and its Senate companion S.923, and we urge Congress to do the same. We look forward to continuing to work with the authors and committee staff to continue strong partnerships between federal and local entities to address homelessness and housing instability.

Sincerely,

Kelli Bernard
Chair, LAHSA Commission

Peter Lynn
Executive Director