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Ms. Deborah Carroll
Interim Director
Department of Human Services
64 New York Avenue NE
Washington, DC 20002

Attn: Ms. Michele S. Williams, Administrator
Family Services Administration

Dear Ms. Carroll:

Thank you for the opportunity to comment on the Department of Human Services' (DHS) proposed regulations for the Family Re-Housing and Stabilization Program (FRSP). FRSP can be an important tool to help families quickly end their homelessness. However, we have concerns that the current regulations governing FRSP could leave families in more vulnerable financial circumstances, create more housing instability, and prevent, or prematurely terminate, vulnerable families from the program. We have included several recommendations that we believe we help strengthen the FRSP program for homeless families with children in DC.

Share of Rent and Utilities Costs

As currently written, FRSP regulations would require families to spend 40 percent of their income on housing during the first four months of assistance, but implies that families would pay more than 40 percent of their income after this point. With research demonstrating that low-income households with high housing cost burdens have trouble affording the basics and are at higher risk for homelessness, we ask that you cap the share of income that families pay toward rent at 40 percent, throughout the program, and that DHS set aside 10 percent of this income in escrow for families to access for necessities and emergency needs.

One of the factors to be considered as part of the re-determination of eligibility is whether the recipient "has the ability to pay an increasing share of the housing costs as part of receiving additional rental assistance," implying that households will pay more than 40 percent of their income in later months of the program. We feel that these amounts — which are higher than the 30 percent threshold set for

most HUD programs — are too high. This would put many families at-risk for having to under-spend on other important necessities, exacerbating family instability.

Research shows that low-income households who have high housing cost burdens spend less on basic necessities than other low-income households that do not have severe housing burdens. A recent study by the Joint Center for Housing Studies showed that severely burdened low-income families — those spending half or more of their income on housing — spend \$160 less on food, \$28 less on healthcare, \$152 less on transportation, and \$51 less on retirement savings per month than low-income households that do not face severe housing burdens.¹ It is likely that the reduced expenditures on these other needs means that families are sacrificing basic necessities in order to pay their rent.

For some families, particularly large families or families with especially low incomes, even the 30 percent threshold may be unsustainable. The National Low-Income Housing Coalition reports that because larger families at a given income level will have higher food, clothing, and health care costs than a smaller family with a similar income, the HUD threshold of 30 percent overestimates the share of income that can be spent on rent without sacrificing other necessities.²

But, we understand the Department’s concern that families would face a steeper cliff at the end of the FRSP rental subsidy if they go from paying 30 percent of their income to the full rent amount. Given this concern, **we recommend the Department cap the amount of income that families pay toward rent at 40 percent of their income, with 10 percent of that funding going toward an escrow account that families can access to pay for necessities and emergency needs. Otherwise, we recommend that the Department of Human Services reduce the amount of income that families are required to pay in the FRSP program to a maximum of 30 percent, with families paying less if 30 percent is unsustainable due to income or family size.**

Eligibility Criteria

As written, applicants who are currently sanctioned under the Temporary Aid to Needy Families (TANF) shall be considered ineligible for the FRSP program because they “have failed to demonstrate that the household will be reasonably able to sustain stable housing following the FRSP assistance period” (Section 7803.2). Research shows that a number of factors make sanction status a poor predictor of ability to sustain housing, that housing instability often causes non-compliance with TANF in the first place, and that a family’s well-being often declines in shelter. Because of this, we recommend that DHS not make TANF sanctioned families ineligible for the FSRP program.

In jurisdictions across the country, researchers have consistently found high error rates 30 percent or more — in the imposition of sanctions.³ A number of studies have also found that sanctions are

¹ Joint Center for Housing Studies at Harvard University, “The State of the Nation’s Housing,” 2011, http://www.jchs.harvard.edu/sites/jchs.harvard.edu/files/son2011_housing_challenges.pdf

² Danillo Pelletiere, Mark Treskon & Shelia Crowley, “Who’s Bearing the Burden? Severely Unaffordable Housing,” National Low-Income Housing Coalition, August 2005, <http://nlihc.org/sites/default/files/bearingburden.pdf>

³ Legal Momentum. “The Sanction Epidemic in the Temporary Aid to Needy Families Program”, August 2010, <http://www.legalmomentum.org/assets/pdfs/sanction-epidemic-in-tanf.pdf>

applied in a discriminatory way, meaning African American recipients are more likely to be sanctioned than their white counterparts.⁴ Researchers have also found that half of sanctioned clients do not even know they have been sanctioned.⁵ Here in DC, local service providers have reported particular confusion among clients. Many believe their benefit reductions were related to benefit cuts applied to long-stayers, when they were actually the result of sanctions. Obviously, clients cannot work to cure sanctions if they are unaware of them.

Additionally, sanctioned parents should not be excluded because their housing instability and/or homelessness may have caused the non-compliance with their TANF Individual Responsibility Plan (IRP) in the first place. I have visited six of the seven TANF Employment Program vendors and all six report that housing instability is the biggest barrier to regular program participation and to securing employment for their clients. Jennifer Tiller from America Works reports: [I have] “...noticed most sanction requests are for individuals dually enrolled (America Works/Virginia Williams Family Resource Center). It’s so frustrating that our emails and calls [to FRC] go unanswered for indefinite amounts of time. The participant ends up being removed from the vendor so they lose potentially life-altering support including employment.”

Finally, we are concerned that this provision will leave TANF families in shelter for long periods of time with no possibility of exit assistance. While shelter is better for families than sleeping in cars or other unsafe locations, research has consistently found that parent and child wellbeing decline while a family is in shelter. Research has also consistently found that sanctioned families are more likely to face significant barriers than other families. Studies have found that sanctioned families are more likely to experience mental health problems, chemical dependency issues, and family violence as well as have had previous involvement with the child welfare system.⁶ Long shelter stays will likely lead to exacerbation of these issues.

With research demonstrating that sanctions are often improperly applied, that housing instability often leads to sanctions and that families well-being declines while in shelter, **we recommend that TANF-sanctioned families not be categorically excluded from FRSP.**

Unit Identification

The new regulations include significant changes to the Unit Identification requirement that run counter to nationally-recognized best practices and will likely lead to longer shelter stays and poorer outcomes for families in FRSP. As a result, we recommend that DHS drop the requirement that requires families to first find housing on their own, before receiving housing search assistance.

⁴ Meyers, Marcia, Shannon Harper, Marieka Klawitter, and Taryn Lindhorst (2006). Review of Research on TANF Sanctions: Report to Washington State WorkFirst SubCabinet.

⁵ Hasenfeld, Yeheskel, Toorjo Ghose & Kandyce Larson. “The Logic of Sanctioning Welfare Recipients: An Empirical Assessment,” *The Social Service Review*, June 2004. 78:2, p. 304

http://repository.upenn.edu/cgi/viewcontent.cgi?article=1028&context=spp_papers

⁶ Meyers, Marcia, Shannon Harper, Marieka Klawitter, and Taryn Lindhorst (2006). Review of Research on TANF Sanctions: Report to Washington State WorkFirst SubCabinet; Casey, Timothy (2010). The Sanction Epidemic in the Temporary Assistance for Needy Families Program. Legal Momentum; and Kauff, Jacqueline, Michelle Derr, LaDonna Pavetti, and Emily Martin (2007). Using Work-Oriented Sanctions to Increase TANF Program Participation. Mathematica.

Allowing families to receive assistance and/or search from a pool of available housing immediately will help families shorten their stay in shelter and move from shelter to housing more quickly.

Previously, clients were required to pick a unit from the unit inventory or identify a unit on their own. Under the new regulations, clients are required to identify and secure their own unit (Section 7806) and only assisted if these efforts have failed. This violates one of the core components that the National Alliance to End Homelessness (NAEH), the United States Interagency Council on Homelessness (ICH), the U.S. Department of Housing and Urban Development (HUD), and the U.S. Department of Veterans Affairs have agreed should be part of any Rapid Re-Housing program: “assist[ing] households to find and secure appropriate rental housing.”⁷

Additionally these agencies have agreed that programs should help households overcome barriers that could keep them from housing such as: negotiating with a landlord to overlook a poor credit and/or rental history and obtaining practical lease agreements that are manageable for the family. By requiring clients to identify units on their own, clients cannot benefit from landlord negotiations that could help them secure a unit, meaning they spend more time in shelter.

For example, the Washington City Paper interviewed one father who had been approved for FRSP and had identified a number of units in his price range, around \$800 per month. He reported that “of the seven landlords he’s talked to so far, none really understood how rapid rehousing works, and all were reluctant to participate.”⁸ Another participant also reported that none of the landlords she had spoken with would accept FRSP. The father also reported that a friend “found an apartment that accepted rapid rehousing but was turned down for bad credit.”

These are exactly the situations that could be avoided if clients were given upfront housing location assistance. Additionally, clients do not receive help with lease negotiations that could result in a lower monthly rent. NAEH argues that it is “imperative...that the financial terms of the lease are such that the household has a reasonable ability to assume rental costs once financial support ends.”⁹ Given that DC’s housing costs are some of the highest in the nation with a 2-bedroom apartment at Fair Market Rent costing \$1,506 per month, participants will need any reductions in the rent that could be negotiated in order to maintain their housing.

DCFPI recommends that the regulations drop the requirement that clients make an effort to locate housing on their own prior to receiving housing search assistance. Instead clients should be allowed to immediately choose a unit from the available housing inventory, receive individualized assistance if the units on the inventory do not meet their needs, and identify units on their own.

Re-determination of Eligibility

⁷ Core Components of Rapid Re-Housing. Endorsed by USICH, NAEH, HUD, and VA.
<http://www.endhomelessness.org/page/-/files/RRH.pdf>

⁸ Weiner, Aaron. Where Are D.C.’s Homeless Families Living Now That D.C. Doesn’t Have to House Them?
Washington City Paper. May 21, 2014.

<http://www.washingtoncitypaper.com/blogs/housingcomplex/2014/05/21/spring-fever/>

⁹ Rapid Re-Housing: A History and Core Components. National Alliance to End Homelessness.
<http://www.endhomelessness.org/library/entry/rapid-re-housing-a-history-and-core-components>

DCFPI is concerned about two of the factors to be considered during the re-determination of eligibility: that families will have to initiate the process re-determination after the first four months, and that a family must be compliant with their TANF Individual Responsibility Plan in order to re-certify. DCFPI has concerns that both of these factors will result in premature terminations from the program, thus throwing families with children into severe financial crisis.

One of the factors to be considered as part of the re-determination of eligibility is whether the recipient “has fully complied with their TANF Individual Responsibility Plan, or other applicable plan.” The National Alliance to End Homelessness argues that “financial assistance must not be contingent upon service compliance, but rather lease compliance.”¹⁰ Thus compliance with a TANF IRP or other service plan should not be an eligibility factor. Additionally, TANF parents already face penalties — a significant reduction in benefits — for non-compliance. As discussed above, parents who are sanctioned face more barriers than other TANF parents. Ending FRSP assistance because of TANF non-compliance means that many vulnerable families could lose cash benefits and their housing at the same time.

Because this change is counter to national best practice and would likely throw vulnerable families with children into severe financial crises, DCFPI **recommends that the Department not use plan compliance as a factor in eligibility re-determination.**

The regulations also propose significant changes to the re-determination process. Clients will now be required to reapply for an additional period of assistance beyond the initial assistance of four months. It is not clear from the regulations what this application will require and how participants will be informed of these requirements. A number of clients have reported to their legal services provider that they did not understand what the FRSP requirements were and that they have been unable to reach their FRSP case manager despite repeated attempts.

Given, these issues DCFPI is concerned that placing the burden of reapplication on the participants will lead to premature terminations. As a result, DCFPI **recommends that the regulations outline re-determination application requirements and that providers be required to actively reach out to participants at least 30 days before the re-determination date by phone, e-mail, and mail.**

Length of Assistance

Under the proposed regulations, FRSP assistance shall be limited to a maximum of 12 months “unless the recipient household’s need for additional assistance is caused by extraordinary circumstances.” We believe that many families may need longer than 12 months to move successfully out of the program, and as a result recommend that DHS tie the length of stay to each individual client’s needs.

¹⁰ Necessary Activities of Best Practice Rapid Re-Housing Programs Handout. National Alliance to End Homelessness. January 17, 2014. <http://www.endhomelessness.org/library/entry/necessary-activities-of-best-practice-rapid-re-housing-programs-handout>

The National Alliance to End Homelessness recommends not using a hard time limit, arguing that programs must be “flexible enough to permit extensions if best efforts fail or another crisis occurs.”¹¹ NAEH further argues that staff should judge progress within the context of client and environmental limitations. If the failure to successfully complete action steps is due to a lack of viable opportunities in the local job market or a relapse from sobriety, the program’s response should be quite different than failure without any mitigating circumstances.” DCFPI **recommends that the Department adopt this approach—individualizing the length of the subsidy to each client’s circumstances.**

Case Management

The National Alliance to End Homelessness (NAEH), the United States Interagency Council on Homelessness (USICH), the U.S. Department of Housing and Urban Development (HUD), and the U.S. Department of Veterans Affairs (VA) have named case management services a core component of Rapid Re-Housing. Yet the regulations proposed by DHS make no mention of this important issue. We recommend that DHS, at a minimum, include some basic information on the types of services to be provided.

The USICH, VA, HUD and NAEH recommend that as part of case management services, programs should:

- “Monitor participants’ housing stability and be available to resolve crises, at a minimum during the time rapid re-housing assistance is provided.”
- “Provide or assist the household with connections to resources that help them improve their safety and well-being and achieve their long-term goals. This includes providing or ensuring that the household has access to resources related to benefits, employment and community-based services (if needed/appropriate) so that they can sustain rent payments independently when rental assistance ends.”
- “Ensure that services provided are client-directed, respectful of individuals’ right to self-determination, and voluntary.”¹²

Yet despite the critical importance of case management services, the regulations are silent on the issue. DCFPI **recommends that the regulations include a list of services to be provided by the case manager and services to which case managers will connect clients as necessary. It is important for participants and providers to have a common understanding of the services to be provided.**

Purpose of Program

The proposed regulations include a significant change to the purpose of FRSP. The previous regulations stated that “FRSP rental assistance is solely for the purpose of assisting eligible households to quickly achieve housing stability by assisting them to obtain *and remain* in a new rental

¹¹ Rapid Re-Housing: Creating Programs that Work. National Alliance to End Homelessness. July 2009. http://b.3cdn.net/naeh/adc8b82e3d49a50252_7dm6bk8te.pdf

¹² Core Components of Rapid Re-Housing. Endorsed by USICH, NAEH, HUD, and VA. <http://www.endhomelessness.org/page/-/files/RRH.pdf>

unit.” The proposed regulations drop the words “and remain”, meaning the purpose of FRSP is now defined as simply helping households obtain a new rental unit. We believe that this is a shift in purpose and removes a key goal that is part of best practices around the program. As a result, we recommend that DHS not remove “and remain” from the purpose of the program.

This change is contrary to previous statements made by the Department as well as national goals for Rapid Re-Housing. In the Amendment to the *Fiscal Year 2011 Emergency Solutions Grant*, the Department reported that it had decided to focus on Rapid Re-Housing in part because of “the District’s focus on permanent housing solutions as opposed to shelter or transitional housing.” This is consistent with the USICH definition of Rapid Re-Housing as programs that place “Priority...on helping individuals and families move into permanent housing as rapidly as possible and providing services to help them maintain housing.”¹³ A focus on helping families obtain housing without efforts to help them maintain it will simply lead to more housing instability and potentially a return to homelessness for the family. Given that research has found that frequent moves are associated with a number of negative outcomes for children including behavioral problems, risk-taking, and poor educational outcomes,¹⁴ DCFPI strongly **recommends that the Department drop the proposed change to the purpose of FRSP and ensure that the program includes services to assist families in *maintaining* their new housing.**

We thank you again for the opportunity to submit these comments. Please do not hesitate to contact me at Coventry@dcfpi.org or 202-325-8861 with any questions.

Sincerely,

Kate Coventry
Policy Analyst

¹³ Rapid Re-Housing. USICH. http://usich.gov/usich_resources/solutions/explore/rapid_re_housing

¹⁴ Cohen, Rebecca and Keith Wardrip. “Should I Stay or Should I Go? Exploring the Effects of Housing Instability and Mobility on Children.” Center for Housing Policy, February 2011, <http://www.nhc.org/media/files/HsgInstablityandMobility.pdf>