

Memorandum

To: House Committee on Appropriations
CC: House Committee on General, Housing, and Military Affairs
House Committee on Human Services
From: Sean Brown, Commissioner
Date: February 19, 2021
Subject: DCF Emergency Housing Initiative

As indicated in its budget narrative, the Department for Children and Families (DCF) is proposing that the DCF Economic Services Division (ESD) continue administering the General Assistance (GA) Temp/Emergency Housing (“motel voucher”) program until October 1, 2021 and then shift to a 100% community-based emergency housing/shelter system supported by homeless assistance grants administered by the DCF Office of Economic Opportunity (OEO). The Emergency Housing Initiative aligns with other ongoing efforts to reduce homelessness and promote housing stability. Shifting the way Vermont provides emergency housing can have a long-term impact on housing stability because:

- Vermonters in emergency housing will be more quickly connected to services to initiate a path towards permanent housing.
- Vermonters needing emergency housing will have their individualized needs met – eligibility will not be limited, and length of stay will be based on individual household needs.
- Resources will be directed to prevent homelessness and provide crisis support to further prevent households from needing emergency housing.
- Community stakeholders will be working together to identify local gaps in emergency shelter/housing and develop solutions with new funding and technical assistance from AHS.

This shift in approach supports the housing strategy of the Agency of Human Services (AHS) and the goals of the Vermont Council on Homelessness. It recognizes that stable, safe, affordable housing is critical to the health and well-being of all Vermonters. The AHS strategy includes ensuring that the State provides “an effective and coordinated crisis response system...to ensure individuals and families experience homelessness are quickly connected to shelter and back to permanent housing.” As the program of last resort, the General & Emergency Assistance (GA) Program has – in consort with the State’s emergency shelter system – provided that crisis response through its motel voucher program. However, the GA motel voucher program is an antiquated, bureaucratic system which fails to adequately support Vermonters in crisis or effectively use resources to do so.

In response to this proposal, some stakeholders as well as the House Committees on Human Services and General, Housing, and Military Affairs have expressed concerns





about the initiative. Primarily, these concerns can be grouped broadly under the headings of “Engagement and Planning,” “Timing,” and “Backstopping.”

Engagement and Planning:

“DCF needs to engage stakeholders in this process.”

DCF has long been transparent and explicit in its engagement of community partners around this systems change effort. The conversation with community partners around restructuring the totality of the GA Program began in 2018, and DCF has engaged stakeholders regarding the specific shift from the GA motel voucher program to a community-based system of care since May 2019. In an effort to engage as many stakeholders as possible, DCF had one-on-one conversations, facilitated small group discussions, met with focus groups of specialized providers, hosted an all-day statewide partner meeting in September 2019, and participated in community conversations across the state. Dating back to May 2019, DCF has solicited and received input during the development of the plan for shifting to community-based solutions from: Vermont Legal Aid; Legal Services of Vermont; Vermont Network Against Domestic and Sexual Violence and its members organizations; Committee on Temporary Shelter; Champlain Housing Trust; Burlington Housing Authority; Champlain Valley Office of Economic Opportunity; UVM Medical Center; City of Burlington; Howard Center; Spectrum Youth and Family Services; Pathways; Community Health Centers of Burlington; Bennington Rutland Opportunity Council, Northeast Kingdom Community Action; Southeastern Vermont Community Action; Capstone; Northeastern Vermont Regional Hospital; Springfield Supportive Housing; Upper Valley Haven; Good Samaritan Haven; Bennington County Coalition for the Homeless; Groundworks Collaborative; Lamoille County Mental Health; Homeless Prevention Center; City of Rutland; Rutland Community Cupboard; United Way of Rutland; Rutland Mental Health Services Charter House; and John Graham Housing and Services. Additionally, DCF has continued to engage both the Chittenden County Homeless Alliance and the Vermont Coalition to End Homelessness and has used those bodies’ listservs as a mechanism to provide information and updates to providers.

It is also worth noting that as a part of the APA process DCF held public hearings regarding the proposed change last year on March 2 in St. Albans, March 5 in Bennington, and March 10 in Barre (all also with a call-in number). DCF pulled back that filing because of the COVID-19 pandemic.

In early February, DCF hosted an informational webinar and created a webpage at <https://dcf.vermont.gov/oeo/EHI> to keep the public updated on the current proposal and process. The Department has also scheduled conversations with each local Continuum of Care to discuss the plan and help continue the conversation around identified needs, challenges, and opportunities communities see regarding implementation.

Finally, DCF staff have consistently and unfailingly asked providers to reach out to us with questions, concerns, or for discussion.

“There is no plan in place.”

“More work needs to be done on what the plan looks like.”



As laid out in the Department's budget narrative, DCF does have a plan for what the community-based system of care looks like. DCF has provided this information to community partners and it remains similar to what was in process last year. Much attention has been paid to designing as thoughtful and supportive transition as possible.

The Department understands its role is to lay out program parameters – eligibility, standards for provision of assistance, performance measures, funding requirements. The proposal includes use of the Housing Opportunity Grant Program to implement the initiative. This grant program already has an existing framework and requirements, which can be found online at: <https://dcf.vermont.gov/sites/dcf/files/OEO/Docs/HOP-Program-Guidance.pdf>. The Department understands its role is to also provide ongoing training and technical assistance to support local planning efforts – tools, templates, 1:1 technical assistance, workplan support, facilitation, examples, peer sharing, etc. Finally, the Department understands its role is to provide oversight and monitoring, which includes corrective action requirements when necessary. The Department understands clearly from community organizations that it would be poorly received and ineffective to provide a one-size fits all approach to this initiative. The Department has a long history of working collaboratively with community organizations to inform, advise and develop specific program and implementation requirements.

In addition, the elements of the community-based system include:

- **Required annual emergency shelter plans created by local Continua of Care.** Local planning helps each community understand its unique emergency shelter needs/gaps and to develop projects to meet these needs and provides a framework for ending homelessness in communities. Projects funded by DCF will be part of the overall local plan, but communities can identify and will be encouraged to explore additional mechanism or resources to help support these efforts.
- **Training and Technical Assistance** provided by DCF to design programs, employ best practices, support community planning efforts, and facilitate stronger cross-pollination through community conversations and examples.
- Identification and implementation of **Coordination Protocols** that support seamless access to shelter and to motels and shelter overflow as well as to assessment through Coordinated Entry.
- Establishment of a **Transition Year(s)** during which funds will be allocated geographically based on historical utilization of the GA motel vouchers. This geographic allocation allows for the establishment of baseline need, and the focus will be on shelter overflow capacity (including motel pools), housing navigation services, and rapid resolutions strategies. Current GA Community Investments will also continue to be supported as a cornerstone of this transition.
- Expansion of the **Housing Opportunity Grant Program (HOP)**: The Office of Economic Opportunity will award new funds under HOP which provides the framework for homeless assistance grants including eligibility for emergency housing, shelter standards, eligible activities, reporting, and performance measures. DCF will monitor and oversee grant-funded projects.

It is also important to acknowledge that some level of detail and planning cannot be known until communities are working through the development of local plans and



providers are working through their own budgeting and implementation design process. However, DCF is committed to working with and supporting community partners to ensure those details and mechanism are not only identified but also able to be implemented in a timely manner. DCF has already engaged in many conversations historically and in the current year with community partners and providers on implementation planning.

“How will DCF ensure there is a base level of care in each community?”

DCF has been clear and consistent in messaging that it will support communities in make sure there is – at a minimum – an emergency housing option available in each community that includes motel pool as shelter overflow. Contrary to some perceptions being vocalized, this does not mean that communities and community partners are expected to run the GA motel voucher program. Rather, communities will be supported in creating overflow that includes access to motel stays as needed. There are substantive and significant differences between the GA motel voucher program and motel pools as shelter overflow – including access to supports in motels, the ability to tailor settings to individual or unique needs, and the flexibility to move people in and out of motel and shelter as capacity and circumstance necessitate.

This initiative encourages communities to explore and implement creative, local solutions and projects which more effectively and efficiently support Vermonters experiencing homelessness and housing crisis. There is strong recognition within the field and articulated by local Continuums of Care that emergency shelter needs, as well as permanent housing needs, vary from community to community. DCF’s proposal responds to this demand from local CoCs that we provide tailored solutions to each community based on community level needs and gaps. AHS does not presume to be the only source of information on what each community needs to meet emergency shelter/housing needs. It is, however, prepared to provide data, information, technical assistance and support local planning as well as to hold communities accountable to this process.

OEO is adding a full-time additional position to support this work and has invested significantly in expanding the capacity of the Vermont Coalition to End Homelessness to play an ongoing role in providing training and technical assistance to the homeless assistance field. DCF is planning to convene a statewide workshop for implementers to support cross-community sharing and support. OEO will also be available to support 1:1 technical assistance with process development, review of policies or procedures, providing examples from peer providers, etc. OEO will review and approve all workplans (staffing plans, etc.), local coordination protocols and policies. Technical assistance will be on a voluntary basis, and OEO welcomes feedback from providers on what will be most helpful.

DCF is committed to supporting emergency shelter/housing that is equitable across Vermont. Uniformity and equity are not the same, and the primary concerns raised recently seem to focus on equity. DCF promotes equity via a community-based system of care through a number of approaches:

- strong standards for the provision of service, such as requirements related to hours of intake availability, grievance/appeal process, notice of rights, etc.
- monitoring and oversight of projects
- training and technical assistance
- regular review of performance data



- distribution of funds based on geographic and population-level data

DCF welcomes suggestions from providers and partners on changes or additions to existing emergency shelter standards.

Timing

DCF has proposed to a transition date of **October 1, 2021**. There appears to be some confusion among some legislators and partners regarding this date. It is worth noting that in the current proposed timeline as laid out in the Department's budget narrative includes additional waypoints of Spring 2021 and July 1, 2021. Some appear to be conflating those waypoints with the transition date. The Department has indicated that some transition steps are necessary in order to responsibly transition from the old eligibility program to the community-based system of care. That is even more the case given the pandemic and resulting public health approach's effort to keep people experiencing homelessness safe during the pandemic. DCF also continues to evaluate the actual dates of the timeline in light of the public health emergency and the impacts vaccinations as well as community spread might have on timing. The Department maintains having a graduated return to the historical program before shifting to a community-based system provides the longest runway possible for systems change. This includes providing a vehicle to transition more gradually from the current scale of motel utilization once the public health emergency is over in order to avoid an abrupt and significant cessation of emergency housing benefits. Accordingly, DCF is suggesting a return to the GA eligibility criteria and rules effective July 1, 2021 as a bridge between the expanded pandemic eligibility and the transition to community-based systems.

"Communities need more time."

"DCF is not giving community partners enough time to prepare and plan."

Prior to the inception of the current Emergency Housing Initiative, in the summer of 2015 DCF first began talking with community partners about community-based alternatives to GA motels and indicating the Department's intention to move away from the historical, rules-based program. Since 2015 through its GA Community Investments, DCF has been working with community partners to identify ways to provide emergency housing that are better for clients and a better use of funds. These efforts have included utilization of seasonal shelter capacity, increased shelter capacity and motel pool as overflow operated by member programs of the Network Against Domestic and Sexual Violence, and other projects. Albeit on a smaller scale, these endeavors speak to the success the State has seen collaborating with local partners on creating localized systems. We believe those successes provide models which can be scaled up and also offer guidance for logistics such as the coordination protocols that have been developed by partner agencies. This initiative is the natural extension of the ongoing work that has occurred for many years. This proposal was created with input, suggestion and direction from stakeholders. DCF also spoke with participants in the program, who expressed support for this change. DCF is committed to finding additional avenues to bring the voices of those with lived experience to the planning process.





As indicated above, the Department has been engaging with communities and community partners on the specific Emergency Housing initiative for over a year and a half. The current initiative continues and builds upon those conversations. Additionally, AHS has been consistent since last summer in both testimony and public conversation that the reinitiating of the Emergency Housing initiative is a component of the AHS Rehousing Plan developed as part of the pandemic recovery approach.

Importantly, DCF's work with communities and community partners does not end with the approval of the FY22 budget. DCF is focused and committed to continuing the concrete work with partners necessary to ensure a successful and responsible transition. This includes continuing community conversations around development of annual emergency shelter plans, convening statewide forums for technical assistance and peer-to-peer collaboration, identify keystone stakeholders in communities, and empowering local organizations and leaders to help implement emergency housing strategies.

There also exists a real danger that perpetually pushing off this initiative will create an insurmountable inertia against a systems change that is well overdue.

“Why is DCF moving forward with this now while we are still in the middle of a pandemic?”

Throughout the development of the current proposal, in testimony, and in public forums, DCF has indicated that the timeline proposed in the Emergency Housing Initiative is contingent on the state of the public health emergency. It is DCF's position that it is better to have a plan and a path forward that can be adjusted, delayed, or expedited as necessary rather than have no plan. It would be irresponsible to wait until the eleventh or thirteenth hour to develop a transition plan and path forward for GA Emergency housing. The steps taken to help protect Vermonters experiencing homelessness from the virus were necessary and extremely valuable. The expansion of the motel voucher program as a public health response is not a permanent strategy.

We recognize that in month eleven of a global pandemic everyone is tired. There is much fatigue, trauma, and vicarious trauma to go around – for households living in motels for almost a year, for community providers who have undertaken extraordinary measures to support the efforts to house and feed people through the pandemic, for policy makers and program administrators reacting to immense challenges and identifying new ways to address unforeseen problems. It is also important to acknowledge that housing at this scale is having significant impacts not only on the large numbers of people housed in motels but also on municipalities, public health providers, and public safety partners responding to significant safety concerns in these settings. At this time, however, it is necessary to continue the planning to ensure that the efforts undertaken and supports that have been put in place do not crumble when the pandemic ends, that the progress made toward supporting people experiencing homelessness and housing insecurity is not set back to a rigid, insufficient, antiquated eligibility program.

“Why now?”

At some point, the pandemic will end. Vermont has learned much during the pandemic when it comes to housing and homelessness – a better understanding of the extent of housing insecurity in the state, the power of collaboration, the value of relationships in



creating systems of care for people in crisis, and the importance of flexibility and creativity in responding to need. When the pandemic ends and the ability to waive and vary rules as a public health response lapses, the motel voucher program will revert to its pre-pandemic state. When that happens, Vermont will find itself back with an emergency housing program based on categorical eligibility – where people are only eligible for housing assistance if they meet narrow constructions of who can receive housing assistance and for how long. That is a system that delineates arbitrarily and where it is programmatically acceptable for a household with a five-year-old child to receive a motel voucher but for a household with a seven-year-old to be ineligible and be forced to sleep in a vehicle or outdoors. The pandemic has revealed that the categorical motel voucher program might serve 10% of the population experiencing homelessness to the exclusion of the other 90%. This is a deeply inequitable approach. These points have long been a criticism of the motel voucher program. We can do better. Rather than simply add to or change the 185 pages of GA rules, we have an opportunity to rethink how we deliver crisis supports to households experiencing homelessness and housing insecurity.

In the eventual wake of the pandemic, Vermont has an opportunity to move forward, not backwards, with a more flexible, more supportive model of what its emergency housing programs looks like. The alternative is to continue doing things the way they have always been done.

Backstopping

“What will the funding support and how will sufficient funding be assured over time?”
“What happens if communities run out of money?”

DCF’s budget narrative outlines an estimate of how the new homeless assistance funds might be used by community agencies during SFY22. This estimated budget is not an allocation of funds for these purposes, but an illustration. DCF will issue a request for workplans and budgets, and it will look to applicant agencies to develop their own budgets and requests. Awards will be negotiated with each agency. The \$1.4 million estimate is based on a current understanding of costs within the field, but should not be viewed as a limitation on the amount available for staffing within the whole appropriation of \$8.6million.

New homeless assistance funding includes a renewal of "GA community investments". In the initial year, we would continue to review historic GA community investments, such as those to domestic violence providers, separately than any new funding allocated to communities.

The proposal includes "base" funding. It is not one-time funding but established as base funding for the program going forward. Annual budgeting takes into account the base funding as a starting place.

Demand for GA emergency housing has always changed from year to year and the Department has routinely used the Budget Adjustment Process to right size the budget for "temp housing". The Budget Adjustment process remains an important tool. In addition, DCF will hold back some funds as a contingency to be able to add funds to a community with higher needs than anticipated. In past years, DCF has added funds to motel pools operated by DV





providers when needed. Finally, DCF will put in place some close tracking in the initial years to be able to quickly anticipate communities where challenges exist.

OEO has been able to make adjustments to many grants from year to year to address inflationary costs. This is an important policy conversation, and the Department encourages organizations to suggest ways to solidify the State of Vermont's commitment. DCF also anticipates that over time, communities will be able to reduce demand for emergency housing/shelter and thus be able to support inflationary costs. DCF has seen that motel overflow has worked well in many communities and sees that organizations do have the administrative capacity to take on this work.

The planning process provides an opportunity to look more closely at the infrastructure needs required for this work and to share examples from across the field. Many agencies already use private funds to place households in motels and have resources and staffing in place that they can leverage to do this work. DCF did consider associated staffing needs for the Continua of Care when developing the proposed budget. Those assumptions include funding for additional staff in each of the local Continua of Care.

Conclusion

Without this shift, the emergency housing program will continue to be a standalone system with different eligibility rules and requirements that is disconnected from the homeless system of care. Vermont has an opportunity to shift the mental model that determines how it provides emergency housing support to people experiencing homelessness and housing insecurity in a different, better way. Although this work is undoubtedly difficult, that does not mean it should not be undertaken. DCF welcomes the opportunity to move forward collaboratively with community partners to re-envision and implement a better system of care.

