

## Memorandum

**To:** Senate Committee on Appropriations; Senate Committee on Health and Welfare; House Committee on Appropriations; House Committee on General, Housing, and Military Affairs; House Committee on Human Services

**CC:** Senator Becca Balint, President Pro Tempore; Representative Jill Krowinski, Speaker of the House of Representatives; Vermont League of Cities and Towns

**From:** Sean Brown, Commissioner

**Date:** June 21, 2021

**Subject:** DCF Emergency Housing Initiative Update

At the direction of the House Committee on Appropriations in its proposed FY22 budget language, the Agency of Human Services (AHS) and Department for Children and Families (DCF) convened a working group of community partners identified in the Committee's budget language. Per that legislative directive and in good faith, that group was charged with identifying an agreed upon path forward for emergency housing in FY22 and beyond because both the Legislature and the Administration acknowledged that the COVID emergency housing response was neither financially nor programmatically sustainable in the long run.

Through a collaborative process, GA working group members developed and agreed to the plan submitted to the legislature on April 21, 2021. Disagreement on one point within the plan on "causing one's own loss of housing" was specifically called out and referenced in the document submitted to the legislature. Additionally, the administration engaged in this same collaborative process with community partners to craft and submit the final budget language, to develop the communications and communications processes for providers and clients, and to draft rules for the FY22 transition year.

We appreciate the support of the Legislature to allocate over \$120 million in federal funding to help create affordable, permanent housing and fund supports for Vermonters experiencing homelessness and housing insecurity. Along with those historic investments, Executive Order No. 06-21 published Tuesday, June 15 enables AHS to continue drawing down federal funding to support non-congregate sheltering in motels and the expanded Emergency Allotment for 3SquaresVT benefits. This allows the state a funding mechanism to continue serving an





expanded population of Vermonters experiencing homelessness by accessing federal funds as long as available. However, even with the ability to pay for rooms using federal money, the availability of rooms is not a given. Because motels were largely closed to tourists and travelers DCF has been able to access many more rooms this past year than were ever available pre-pandemic. Over the past few months, DCF has seen a substantial decrease in the number of rooms available for emergency housing. The capacity fluxes from weekly and daily, but the downward trend will continue over the summer as motels return to their regular business. Currently half of the districts across the state have reached the capacity of rooms available, and these real limitations will continue to impact the ability of DCF to place Vermonters experiencing homelessness in motels over the short and long terms.

As of June 18, 2021, DCF is housing 2251 people (1884 adults and 367 children) in 1602 rooms across the state. Utilization has been trending downward over recent weeks even prior to implementation of the new eligibility criteria on June 1. New eligibility criteria will be implemented for households housed during the pandemic effective July 1. While this represents narrower criteria than during the public health emergency, it is more expansive – particularly for housing households with children, people with disabilities, and older Vermonters – than in the past. We have anticipated that approximately 2/3 of the households in motels will continue to be eligible for an additional 84 days come July 1. This includes the most vulnerable populations mentioned above, with households with children or people with disabilities potentially extending their housing past 84 days depending on their circumstances.

Hotels and motels have been a valuable resource for Vermonters experiencing homelessness, but they are not intended to be a permanent solution at this scale. Living in motels for extended periods of time can foster isolation and often has produced difficulty accessing services such as meals and mental health or substance use treatment. Providing supports and services to households needing emergency housing is a critical component of ensuring that assistance is more than a roof over someone's head. During the pandemic we have been able to dramatically increase the amount of services available in motels through an influx of resources and the extraordinary efforts of many of our community partners which has at times strained their capacity. Additionally, the number of households at motels have also presented challenges for local communities and first responders. Transitioning to a more sustainable scale and model of emergency housing allows for the opportunity to continue working to ensure Vermonters experiencing housing crises are connected to necessary and critical supports.

It is also important to remember that we had decreased the capacity of emergency shelters – the number of people in congregate settings – as a measure to stop the spread early in the pandemic. That shelter capacity is increasing in July, and we will see much of that filled with people exiting motels. We expect that capacity will continue to increase even more as we begin building out shelter capacity using the federal ARPA money identified in the Governor's housing plan.

Approximately 700 people statewide will be ineligible for further emergency housing as of July 1. Those households may be eligible for an essential payment of \$2500, a cash payment that can help these households meet a range of their own basic needs and





expenses. People exiting motels as of July 1 may resolve to any number of settings including leasing up in permanent housing, returning to housing situations they may have had pre-pandemic such as living with friends or family, self-paying for motel rooms, or transitioning to emergency shelter as community partners increase available beds. Our community partners have been doing tremendous, hard work with households in motels to identify and support housing plans, and they will continue to help with that housing navigation and with creative problem solving as needed.

DCF has been mindful of the need to support people as much as possible during this transition period. This is why we have been continuing to work with community partners in the GA Workgroup around the Money for Essentials – the one-time \$2500 payment for households determined not to be eligible for housing as of July 1. Additionally, there are other programs that will continue to be available to households who are still eligible for motels and seeking permanent housing. Vermont Emergency Rental Assistance (VERAP) can help with security deposits, rent for up to 12 months, and utility bills. The Rapid Resolution Housing Initiative offers assistance of up to \$8000 for eligible costs such as security deposits, moving costs, transportation, program fees, etc. to help households in motels transition into and keep safe, stable housing. These flexible pathways are intended to help people with expenses that may help eliminate barriers to housing or facilitate a transition out of motels more rapidly and often creatively.

This period is a transition point marking the beginning of a transition year. DCF has worked hard with community partners and other parts of State government to be as thoughtful and supportive as possible during the scaling down our pandemic response and the shift to a new normal. We still have much work ahead and will continue to collaborate with the GA working group to identify and implement an emergency housing system that is sustainable going forward past Fiscal Year 22.

