

BRIDGES TO HOUSING

Accelerating Progress on Homelessness in Vermont



February 8, 2023

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Executive Summary

This proposal outlines a roadmap to transition from the pandemic housing programs, including the expanded General Assistance (GA) Emergency Housing program and the Transitional Housing funded by Vermont Emergency Rental Assistance Programs. We propose five linked strategies, describe specific action items for each strategy, and estimate their associated costs of these actions for the FY24 year. This proposal is intended to inform policy decisions on the future of GA Emergency Housing. It is not intended to substitute for more comprehensive plans to address the housing crisis or end homelessness in Vermont, including the Roadmap to End Homelessness.

Strategy 1: Create Alternatives to Motel-based Emergency Shelter

- Capital Investments in Shelter: \$40 Million to VHCB for (1) improvements to existing shelters and to convert them as feasible to non-congregate settings, (2) addition of 60 new non-congregate shelter beds, and (3) addition of 60 new efficiency apartments for households leaving emergency shelter.

Strategy 2: Bring Proven Permanent Solutions to Homelessness to Scale

Accelerate Production of Affordable Housing and Supportive Services

- \$175 million in capital for a range of new housing development.
- Full statutory funding for VHCB.
- Increase the Vermont Rental Subsidy program by \$2 million; expand eligibility for VRS to be more inclusive of adult-only households; deploy vouchers to support utilization of the Vermont Housing Improvement Program.
- Expand SASH For All: Support Cathedral Square's \$5.4 Million proposal to continue the existing SASH for All pilots and expand throughout the state.
- Expand the HOME Voucher Program: \$2 million for rapid rehousing for families with children.
- Expand Family Supportive Housing: \$1.5 million for statewide and enhanced family services. FSH has the potential to leverage Federal Medicaid funding.

Strategy 3: Redesign GA Emergency Housing Program

- Undertake a redesign of the GA Emergency Housing Program.

Strategy 4: Unify Vision, Roadmap, Planning, & Coordination to End Homelessness

- Update the 2017 Roadmap to End Homelessness: \$50,000 to CVOEO.
- Resurrect the Interagency Council on Homelessness and the Child Poverty Council

Strategy 5: Maintain and Improve the GA Emergency Housing as a Bridge to Permanent Housing

- GA Emergency Funding: \$72 million in General Assistance Emergency Housing to continue to provide shelter for those experiencing homelessness as other housing options are brought online.
- Support for Emergency Shelters and Housing Navigation: \$20 million in *supplemental* funding to the Office of Economic Opportunity for the Housing Opportunity Grant Program (HOP) for increased support and services for emergency shelter guests and housing navigation programs.

This Proposal is endorsed by:

Capstone Community Action
Cathedral Square
Champlain Housing Trust
Champlain Valley Office of Economic Opportunity
Charter House Coalition
Downstreet Housing & Community Development
Evernorth
Good Samaritan Haven
Groundworks Collaborative
John Graham Housing & Services
Lamoille Community House
Main Street Landing
Northeast Kingdom Community Action
RuralEdge
Spectrum Youth and Family Services
Upper Valley Haven
Vermont Affordable Housing Coalition
Vermont Center for Independent Living
Vermont Legal Aid
Vermont Network Against Domestic and Sexual Violence
Windham & Windsor Housing Trust

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Introduction and Context

Vermont has made significant progress in leveraging pandemic programs to address homelessness; however, the state faces a growing mismatch between the scale of the crisis and resources to address the need. More than 2,800 Vermonters have exited homelessness during the pandemic thanks to investments in a range of housing programs. Despite this progress, Vermont currently has the [second highest per capita rate of homelessness in the US](#) behind only California. At the end of 2022, 2,800 individuals remained in motels through the Transitional Housing (VERAP) and General Assistance (GA) Emergency Housing Program. Capacity at [motels participating in the GA Emergency Housing](#) program and shelters across the state remains extremely strained and is expected to decrease in 2023. Recent estimates from the Vermont Housing Finance Agency suggest that Vermont needs an additional 40,000 housing units by 2030 to bring the state to a healthy housing market.

Motels are not the solution to homelessness; however, Vermont faces a critical shortage of adequate alternative shelter, transitional housing, permanent affordable housing, and capacity for Vermonters requiring long-term care. While Vermont has the country's second highest per capita rate of homelessness, it [leads the country](#) in sheltering people experiencing homelessness. Abruptly ending the motel program before viable alternatives are available at the scale needed risks creating a large crisis of unsheltered homelessness.

This memo outlines a short-term roadmap to transition from the current pandemic housing programs, including the expanded GA Emergency Housing program and the Transitional Housing funded by Vermont Emergency Rental Assistance Programs. It is not intended to substitute for more comprehensive plans to address the housing crisis or end homelessness in Vermont, such as the Roadmap to End Homelessness.

We seek to achieve the following through this plan:

- Prevent households who are currently sheltered in motels from becoming unsheltered due to the ending of the Transitional Housing Program or changes to program eligibility.
- Ensure that people who are experiencing homelessness have access to safe and decent shelter until new affordable homes become available.
- Plan for a future in which homelessness in Vermont is brief, rare, and non-recurring.

Bridges to Housing: Proposed Strategies

We propose the following five coordinated strategies to advance the dual goals of reducing reliance on pandemic housing supports, including motel-based shelter, while making progress in ending homelessness in Vermont:

Strategy 1: Develop Alternatives to Motel-based Emergency Shelter

Capital Investments in Alternative Shelter: \$40 Million in Capital Investments

We propose \$40 million in capital investments in the FY24 budget for the expansion of shelter alternatives to motels. We project that this investment would produce an additional 60 new shelter beds and 60 efficiency units in two years, for a total of 120 additional beds. These investments would be targeted in areas of the state with extreme shortages of shelter capacity. In the mid-term, this would help to draw down demand for motel shelter. This expanded capacity would help to meet long-term shelter needs. Expanded capacity will need to be continued in subsequent years.

Strategy 2: Bring Proven Permanent Solutions to Homelessness to Scale

Accelerate the Production of Affordable Housing and Supportive Services

Affordable housing developers have requested full statutory funding for VHCB and \$175 million for a range of new housing development in the FY24 budget to sustain and accelerate the pipeline of affordable housing.

Capital investments in affordable housing must be paired with investments in rental subsidies and supportive services. This proposal highlights three priorities that should be pursued in 2023 in addition to other strategies being explored by the legislature:

Expand the Vermont Rental Subsidy program by \$2 million; expand eligibility for VRS to be more inclusive of adult-only households; deploy vouchers to support utilization of the Vermont Housing Improvement Program. Shortages of rental vouchers represent a bottleneck to rehousing Vermonters in some parts of the state.

Expand SASH-for-All: Support Cathedral Square's \$5.4 Million proposal to start ten SASH-for-All models in existing subsidized housing communities and continue two pilot programs in Brattleboro. The requested funding would serve approximately 1,000 persons for two years. SASH for all will support households exiting from homelessness and into permanent housing by providing nursing services, including mental health counseling, allowing us to increase the rate of housing retention.

Solve Child Homelessness: Vermont has a high rate of child homelessness. Solving child homelessness is a preventative first step to solving adult homelessness;

unhoused children and transitional-age youth are more likely to experience homelessness as adults.

- A. **Rapid Rehousing for Families with Children:** The BAA has \$ 3 million for HOME Program Vouchers for rapid rehousing for families with children. To build on and sustain this initial investment we will need at least \$2 million annually for rapid rehousing vouchers to continue to house at least 80 families coming into homelessness each year.
- B. **Expand Family Supportive Housing:** Family Supportive Housing (FSH) combines affordable housing with services that help people who face the most complex challenges to live with stability, autonomy, and dignity. The proposed \$1.5 million increase for the FSH is to fund an estimated 15 new support services staff. The focus is to expand FSH statewide and to enhance existing programming, including housing navigation services. FSH will complement the work done through the SASH program. Both models are needed for retention once people are housed.

Strategy 3: Redesign GA Emergency Housing Program

Vermont will continue to require a smaller emergency housing program. The current GA Emergency House program does not reflect the latest evidence and current landscape in Vermont, is not adequately resourced, and lacks support and oversight. We recommend undertaking a redesign of the GA Emergency Housing Program to reflect evolving needs in the state, evidence-based shelter and housing practices, and lessons from models in Vermont and other settings. This redesign should be undertaken collaboratively with providers, advocates, people with lived experience, the Administration, and lawmakers.

Strategy 4: Unify Vision, Roadmap, Planning, & Coordination to End Homelessness

States, [cities](#), and [institutions making significant](#) progress in addressing homelessness have set clear and measurable goals, adopted plans and frameworks to guide their action, and [established structures to coordinate action](#) across agencies and sectors. Vermont needs a statewide vision, roadmap, and statewide coordination structures to accelerate progress in decreasing reliance on suboptimal short-term measures and eliminating homelessness. We recommend a \$50,000 one-time appropriation to CVOEO to update the 2017 Vermont [Roadmap to End Homelessness](#). This document will reflect the progress the state has made since 2017, the changing landscape in the state, and the evolving evidence and best practices in addressing homelessness and provide a blueprint for policies and actions to end homelessness for the next five years.

We also recommend that the state resurrect the Inter-Agency Council on Homelessness and the Child Poverty Council to coordinate action across state agencies. Finally, we

support the homeless Bill of Rights, [H.132](#) and other efforts to establish common statewide standards to protect the rights of Vermonters experiencing homelessness.

Strategy 5: Maintain and Improve Expanded Motel-based Shelter Program as a Bridge to Permanent Housing

Preserve an Expanded Motel-based Shelter Program as a Crisis Measure

As Vermont pursues alternatives to motel-based shelter, the state must take immediate action to prevent residents experiencing homelessness from becoming unsheltered or returning to unsafe conditions. Approximately 2,800 people currently rely on motel-based shelter for housing. We are concerned that many of these motel guests are at risk of becoming unsheltered or ending up in unsafe housing without an extension of the GA Emergency Housing Program.

We propose a FY24 appropriation of \$72 million to maintain an expanded motel-based shelter program. Our projections predict decreased utilization of motel-based shelter over time as motel guests exit homelessness to permanent housing. Vermont is on track to bring 400 units of housing for Vermonters exiting homelessness online by the end of FY24. Service providers anticipate some natural attrition in motel utilization as some motel guests leave the program for other options. We anticipate further reductions in need for motel-based shelter as shelter capacity increases.

We propose adopting *Crisis Standards of Housing* to govern the use of motel-based shelter until the housing crisis alleviates. Crisis Standards of Housing will guide for the expanded use of motels as a measure in response to the housing crisis until thresholds of alternative shelter capacity, time to rehousing, and other parameters are reached. Once these predetermined thresholds are met, the state would transition to the redesigned GA Emergency Housing program described in Strategy 4.

Increase Support to Shelters for Supportive Services and Housing Navigation

Stakeholders widely agree that more support is needed for operational support and supportive services at motels and existing shelters. Capital investments in expanded shelter capacity must also be paired with additional operational support for new or expanded shelters. We propose appropriating an additional \$20 million in *supplemental* funding FY24 to the Office of Economic Opportunity for funding for the Housing Opportunity Grant Program (HOP). Funding will be used to increase support and services for guests at emergency shelters and for housing navigation programming at service providers. The HOP Program provides funding to operate emergency overnight and daytime shelters, essential services to shelter guests, and to rapidly re-house homeless individuals and families.