

**Maryland General Assembly
Joint Committee on Ending Homelessness
2017 Interim Membership Roster**

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Delegate Mary L. Washington (House Chair)

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JOINT COMMITTEE ON ENDING HOMELESSNESS

December 14, 2017

The Honorable Thomas V. Mike Miller, Jr., Co-Chairman
The Honorable Michael E. Busch, Co-Chairman
Members of the Legislative Policy Committee

Ladies and Gentlemen:

The Joint Committee on Ending Homelessness is pleased to submit a summary report of its 2017 interim activities. This report also serves as the committee's annual report. This was the committee's third year of activity. The committee met three times this interim (September 13, October 11, and November 8). The committee also completed a site visit at My Sister's Place on September 26 and joined the Joint Committee on Children, Youth, and Families for a briefing on November 7.

The committee's work this interim continued activities from the first year of exploring issues related to homelessness while also focusing on potential areas of recommendations. The meetings included a review of the results of the Youth Reach MD count of unaccompanied homeless youth; the impacts of federal changes on affordable housing development, homelessness and the child welfare system; legislation from the 2017 session; a fair housing settlement between the U.S. Department of Housing and Urban Development and the Department of Housing and Community Development (DHCD); the transition of the Bureau of Homeless Services from the Department of Human Services to DHCD; and the annual report of the Interagency Council on Homelessness. The committee also heard from the United Way of Central Maryland and Maryland Community Action Partnership. Attached is a summary of the committee's interim studies as well as the recommendations of the committee.

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We wish to thank the joint committee members for their participation, representatives of public and private organizations who kept us informed, and our committee staff for their support.

Respectfully submitted,



Richard S. Madaleno, Jr
Senate Chair



Mary L. Washington
House Chair

RSM:MLW/TDZ:JAK/km

Enclosure

cc: Members of the Joint Committee on Ending Homelessness
Mr. J. Ryan Bishop
Ms. Carol L. Swan

Joint Committee on Ending Homelessness

Interim Report

The Joint Committee on Ending Homelessness (JCEH) was established by Chapter 427 of 2014, which became effective June 1, 2015. To ensure that public resources, programs, and policies are coordinated and effective in preventing, mitigating the effects of, and ending homelessness in Maryland, the committee is to study issues related to homelessness including (1) housing; (2) income; (3) health care; (4) education; (5) government supports; and (6) veterans experiencing homelessness. The committee is to consult with governmental agencies, community-based organizations, and other stakeholders to identify State policies, programs, and actions that should or could prevent, mitigate the effects of, and end homelessness in Maryland. The committee is to review and make recommendations, including identifying new laws, regulations, programs, services, and budgetary priorities to meet these goals. The committee is also required to search for any intradepartmental or interdepartmental gaps, inconsistencies, and inefficiencies in the implementation or attainment of the State policies, programs, and actions related to these goals. The committee is required to submit an annual report to the General Assembly of its activities and recommendations. This report fulfills this requirement.

Chapter 104 of 2016 expanded the membership of JCEH from 10 to 16, allowing for 8 members from both the House of Delegates and the Senate. The chapter became effective October 1, 2016. The committee currently has 5 Senate members and 7 House of Delegate members.

During this third year of activity as a committee, JCEH held three meetings (September 13, October 11, and November 8), joined the Joint Committee on Children, Youth, and Families for a briefing on November 7, and conducted a site visit on September 26. Topics discussed at these meetings included:

- a summary of relevant legislation proposed and enacted during the 2017 session;
- an overview of the Youth Reach MD count of unaccompanied homeless youth results;
- a review of the impact of federal policy uncertainty on affordable housing development and other affordable housing challenges;
- a review of homelessness and the child welfare system;
- a review of the fair housing settlement between the Department of Housing and Community Development (DHCD) and the U.S. Department of Housing and Urban Development (HUD);

- a review of two-generation strategies and the work of the Governor's Two-Generation Family Economic Security Commission;
- a discussion of the work of the United Way of Central Maryland (UWCM), including its study of Maryland's Asset Limited, Income Constrained, Employed (ALICE) households;
- a discussion of the work of the Maryland Community Action Partnership (MCAP) and the Community Action Agencies (CAA) in Maryland;
- a review of the transition of the Bureau of Homeless Services from the Department of Human Services (DHS) to DHCD; and
- a review of the Interagency Council on Homelessness' (ICH) 2017 Annual Report and policy recommendations.

The joint committee's site visit took place at My Sister's Place Women's Center in Baltimore City. My Sister's Place is a comprehensive resource center for homeless women and their children in Baltimore City. The joint committee's site visit consisted primarily of serving lunch at the facility as well as learning about the work of My Sister's Place.

Homelessness in Maryland

The joint committee held two briefings that included information describing homelessness in the State. One of these briefings was included as part of the review of the ICH annual report. The other briefing was by the University of Maryland School of Social Work (UMSSW) Institute for Innovation and Implementation on the Youth Reach MD findings.

ICH Briefing

ICH presented a number of statistics related to homelessness in Maryland. The majority, though not all, of the information comes from the required annual Point-in-Time (PIT) count. Every other year (including 2015 and 2017), the PIT count includes both the sheltered and unsheltered populations; in the other even years, only a count of the sheltered population is undertaken. The 2017 PIT count showed a decrease in the number of homeless individuals in Maryland (a decrease of more than 13% since 2015). However, ICH also reports the total number of homeless individuals served during the year in Maryland. For that, ICH reported a figure of 31,095 individuals, which is an increase over both 2016 and 2015. ICH noted that the 2017 PIT count found a 9% decrease in the chronically homeless population and a 25% decrease in the number of homeless veterans. However, the 2017 count found an increase of 1% of school-aged youth who are homeless. In 2016 (the most recent data available), ICH explained that there were 181 deaths of individuals experiencing homelessness, which is more than double the number from 2007 (72).

ICH's annual report also highlighted a decrease in available shelter beds and transitional housing units since 2016, with decreases of 2% and 3% respectively, found during the 2017 Housing Inventory Count. ICH explained that in 2017 there were only enough emergency shelter beds to meet the needs of 64% of the homeless population found in the 2017 PIT count. In the presentation, ICH noted that there was also a 17% decrease in cold weather beds. ICH also includes a count of the estimated number of encampments statewide and by region. ICH stated that there were 231 encampments statewide; the largest number of these encampments were found in Anne Arundel county (35), the Southern Maryland region (28), and the Mid-shore region (25). Additional detail on the 2017 PIT and Housing Inventory Counts may be found in the ICH's 2017 annual report.

ICH also highlighted a number of accomplishments of the council since the prior report. These accomplishments included the transition of homeless services programs and the Bureau of Homeless Services from DHS to DHCD. Chapter 105 of 2017 statutorily transferred the Bureau of Homeless Services and related programs to DHCD. The chapter became effective July 1, 2017. The transition included 4 positions and several programs. Initially, the programs transfer as they currently exist; however, over the next year a transition team will meet and discuss the functioning of the current programs and recommendations for changes. Potential areas of change include areas of overlap and areas where either statute or regulation run counter to best practices. This review will culminate in a report due in December 2018, which is to be a final evaluation of the transition and include any recommendations to ensure the effective delivery of homeless services in the State.

Youth Reach MD

JCEH received a briefing on findings from the most recent Youth Reach MD count of unaccompanied homeless youth. Youth Reach MD defines unaccompanied homeless youth as individuals 24 years or younger, not in the physical custody or care of a parent/legal guardian, lacking a fixed, regular, or adequate nighttime residence. During calendar 2017, Youth Reach MD made several changes to the process from lessons learned during the initial count and expanded the number of locations conducting the count. In calendar 2017, the count was conducted in 18 jurisdictions by 10 continuums of care (CoC). The count was conducted in each CoC over a two-week period in either March or April. In the 2017 survey, Youth Reach MD's participating CoCs administered 1,830 surveys, of which 806 met the Youth Reach MD definition of unaccompanied homeless youth. The majority of these youth were in Baltimore City (505, or 62.7%), with Anne Arundel County having the second highest number of these youth (96). Of note, in the CoCs participating in both the initial count and the 2017 count, the number of unaccompanied homeless youth was lower in the 2017 count. Of the 806 youth that met the Youth Reach MD definition of unaccompanied homeless youth, only 417 met the HUD definition of homeless. Youth Reach MD found that in the CoCs conducting the count there was 1 unaccompanied homeless youth for every 1,000 youth. Other findings from the count include

- 13% were under the age of 18;

- 68% were identified as Black/African American;
- 21% were identified as lesbian, gay, bisexual, transgender, or questioning (LGBTQ);
- 42% reported not having a high school diploma or equivalent, but 29% are currently in school;
- 38% (307) reported having spent the previous night doubled up (the most common place to have slept the most recent night);
- 20% (164) indicated that they had been in foster care at some point; and
- 29% (237) indicated that they had been in jail at some point and 24% (196) had been in juvenile detention.

According to the survey data, youth sought a variety of services with the most common being nutritional services, short-term housing, and health care and mental health treatment.

Homelessness and the Child Welfare System

DHS and UMSSW Institute for Innovation and Implementation presented to the joint committee on the current efforts around homelessness and the child welfare system. DHS noted that children do not enter foster care solely due to a lack of housing, but many children entering foster care have histories of homelessness. For example, in fiscal 2015, 2016, and 2017, between 9% and 10% of children entering care had homelessness/housing instability included as an issue at the time of entry into out-of-home placement. In the assessments given to families, DHS noted that more than 10% of families had residential stability as an item that required action in fiscal 2016 that figure was slightly lower in fiscal 2017. Similarly, residential stability was an issue requiring action in assessment of the permanency plan caregiver in more than 10% of assessments in each fiscal 2016 and 2017. In addition, through the Thrive@25 program survey data, UMSSW found that 100% of former foster youth had stayed with a friend since leaving foster care and 99% had stayed in shelters.

DHS undertakes activities during the transition plan, which seeks to prepare foster youth for life after they age out of care. These include developing transition plans and placing children in independent or semi-independent living programs. Independent living services are available for youth ages 18 to 21 who were in an out-of-home placement on their eighteenth birthday. DHS has also worked with DHCD and the Governor's Office of Crime Control and Prevention on the New Futures Bridge Program that provides rental assistance to foster youth and domestic violence victims. Just over one-half of the referrals (154 of 299) have been for foster youth. Through the time of the presentation, only 29 foster youth had been housed through this program. DHS also works with DHCD on the Family Unification program that provides vouchers for youth ages 18 to 24 exiting care, for those seeking to reunify with family but housing is a major barrier, or for a

family at imminent risk for up to 36 months. DHS also provided a timeline for maximizing resources for youth to achieve self-sufficiency. The timeline included youth ages 18 to 21 in semi-independent/independent living programs, youth ages 21 to 24 in the family unification program, and then youth age 24 living with a roommate, private housing, or another subsidy program.

Under a Thrive@25 demonstration project, DHS has developed an enhanced transition planning process that is more youth-driven. The transition meeting frequency increases in this model to occur every two to three months (four to six times per year) rather than the typical one to two times per year. The model also focuses on youths' goals. Under the program there is also housing available with a priority for former foster youth. This project is currently underway in the Mid-shore region. DHS is applying for an additional demonstration project (if the federal government makes funds available) to continue work on the Thrive@25 program.

Affordable Housing Development

JCEH received briefings at two of its meetings related to affordable housing. The presentations were by the Maryland Affordable Housing Coalition (MAHC) and the Community Development Network of Maryland (CDN). The CDN included in its presentation a review of a housing affordability study completed by Enterprise Community Partners. These and similar issues were also discussed by the MAHC. The study was primarily drawn from existing data sources. Key findings from the study include

- 31.0% of low-income households (those earning 80.0% or less of Area Median Income (AMI)) are moderately cost-burdened and 40.0% are severely cost-burdened;
- 14.0% of extremely low-income households (those earning 30.0% or less of AMI) are moderately cost-burdened, and 72.0% are severely cost-burdened;
- between calendar 2007 and 2015, median rent has increased while median income has not;
- Baltimore County and Baltimore City each had waitlists in 2016 for housing choice vouchers exceeding 20,000 households; other jurisdictions also had significant waitlists, and a number of jurisdictions have waitlists that are closed; and
- 34.2% (24,937 units) of federally assisted affordable housing units with expiring subsidies have an expiration date between 2017 and 2020.

A key point discussed in both presentations was the impact the uncertainty surrounding federal tax reform has had on affordable housing development through the Low-Income Housing Tax Credit (LIHTC). Federal tax reform could include changes to corporate taxes, which would

lower tax liabilities. This type of change devalues tax credits. For example, there is less value to a company for a 10-year tax credit if the company believes it would not have a tax liability in three years. One presenter gave an example of the impact of this uncertainty on the value of the LIHTC. The presenter stated that a developer could receive \$1.05 per tax credit for 10 years prior to the election, but now the value is \$0.93 per tax credit. This creates a financing gap of \$1.5 million to \$2.0 million per project. This gap in financing means that more funding is needed from other sources including State sources. However, these programs are often already oversubscribed. One of the presenters explained that there is the potential for federal legislation that would stabilize the LIHTC.

The presenters also highlighted other challenges for affordable housing development including:

- limited amount of land zoned for multifamily housing and competition for that land between market rate and affordable development;
- increased cost of development due to local land use policies, comprehensive energy and green building standards, and construction costs generally including those related to legislation; and
- negative community views of affordable housing development.

Fair Housing Settlement

Mr. Matthew J. Heckles from DHCD presented to the committee on a recent settlement between DHCD, the Baltimore Regional Housing Campaign, and HUD. The original complaint was filed in 2011 and was focused on a provision in the Qualified Allocation Plan at the time (the plan in which DHCD lays out how it will award points for various features of developments to allocate LIHTCs), which required developers to have “express local consent.” This provision allowed local leaders to keep affordable housing developments out of certain communities. Under the settlement, DHCD agreed to (1) create 1,050 new units in communities of opportunity in the Baltimore region and preserve 450 units of affordable housing in the same region; and (2) provide more flexibility in certain development features and incent certain features such as larger unit sizes, access to transportation, and broader marketing plans. Communities of opportunity are communities with higher quality schools, certain house values, *etc.*, or generally, areas where there is currently a lack of affordable housing but better schools and opportunities for those that live in them. Last year 18 of the 20 allocations of LIHTC were in communities of opportunity. However, DHCD prefers more balance to ensure affordable housing is available more broadly. DHCD believes that the timeline for the development provided in the settlement will ensure that these commitments will not hurt development in other areas of the state.

Two-generation Strategies

On November 7, 2017, the joint committee joined the Joint Committee on Children, Youth, and Families for a briefing on the Two-Generation Family Economic Security Commission and Pilot Program. In the briefing, the joint committee heard about efforts to ensure that the focus is on improving outcomes for both adults and children that come in contact with any part of the public assistance or child welfare systems. The commission is still examining how this type of strategy will be implemented statewide; however, there are examples of this type of work already occurring in Maryland. For example, an individual from Allegany County described examples of work being done in that jurisdiction. In Allegany County, a whole family assessment is conducted, and a self-sufficiency plan is established that focuses on the family's goals. In addition, a Head Start program was located on the campus of the community college, which provides benefits for both children's readiness to learn and the adults' education and eventually employment outcomes. An interim report is due in December 2017 with a final report due in December 2018.

Service Providers

The joint committee heard from two service providers: UWCM and MCAP. The primary focus of the UWCM presentation was on ALICE households. These are households without enough net worth to live at poverty level for three months without income, insufficient liquid assets, and less than \$4,632 in savings. The majority (53%) work in jobs that pay less than \$20 per hour. UWCM stated that 743,738 households in Maryland (35%) are ALICE households. ALICE households are distributed throughout the State. Howard County has the fewest ALICE households as a share of all households (22%), while Somerset has the highest (over 50%). UWCM stated that a survival budget in Maryland for a two-adult, two-child household (one infant and one preschooler) is \$61,224. Of the top occupations, UWCM stated that 24% of them pay enough to support this survival budget with both parents working. UWCM explains that housing is the second most expensive item in the budget for families with children. Approximately 31% of those rental units that are affordable to ALICE households are subsidized. UWCM identified a number of strategies to assist ALICE households. These strategies include those that can be employed by family and friends, nonprofits, employers, and the government. Government strategies include various public assistance programs, tax credits for caregivers, education vouchers and charter school options, job training and educational assistance, and reduced student loan burdens.

MCAP is a network of CAAs throughout Maryland; Washington, DC; and Delaware. The CAAs in MCAP's network served 221,452 low-income households in Maryland and additional households in the other jurisdictions. The CAAs provide a variety of services including homelessness prevention, affordable housing and foreclosure prevention, homeless shelters, workforce development, energy assistance, Head Start, and budget counseling and financial education. Not all CAAs provide the same programs since the programs are designed to serve the individual community in which the organization is located. MCAP said that CAAs in

nine jurisdictions operate homeless shelters. The CAAs also provide independent living facilities for low-income seniors; rapid housing, rental and mortgage assistance; first-time homebuyers classes; and fair housing programs. The primary funding source for the CAAs is the Community Service Block Grant (CSBG). DHCD administers the CSBG to 17 CAAs, which covers all jurisdictions in Maryland. CSBG funding in Maryland in fiscal 2015 was approximately \$9.2 million. MCAP indicated that the CSBG is a program that has been considered for federal fund reductions, which would impact the CAAs significantly.

Recommendations

The joint committee has made several recommendations, including those to study some issues in the future. Recommendations for further study will serve as a potential starting point for joint committee meetings in the 2018 interim.

- (1) The joint committee agreed to send a letter to the Governor to encourage the funding for the Housing Navigator and Aftercare program at the level provided in Chapters 637 and 638, which codified the existing program in the DHCD and required a higher funding level than has been provided for the program, subject to the limitations of the State budget. The chapters provided for a funding level of \$516,828 (double the current funding level), which would allow for additional navigators. The program currently operates in six jurisdictions. The letter sent by the committee is enclosed with this report.
- (2) The joint committee agreed to continue to monitor federal homelessness and affordable housing programs and consider options if the impacts indicate action is needed to support affordable housing development.
- (3) The joint committee agreed to look at tax issues that surround ownership of units held in a community land trust in future meetings.
- (4) The joint committee also agreed to look at issues surrounding the reason for encampments, particularly in Charles County, and the decrease in cold weather shelters to reverse these trends in future meetings.

The Joint Committee on Ending Homelessness Also Supports Recommendations by Various Organizations

During the 2017 interim, a number of the presenters to the joint committee made policy recommendations for the joint committee's consideration. The joint committee agreed to support a number of the recommendations made by the groups, at least in concept. The joint committee is not sponsoring legislation in these areas; however, individual members may choose to sponsor legislation in these areas.

Interagency Council on Homelessness

The ICH policy subcommittee presented a series of recommendations to the joint committee. The joint committee focused on a set of these recommendations that contained certain goals and budget requests. The joint committee supports the goals and intends to begin looking at ways to reach these goals in the future. However, the joint committee did not take a stance on the budget requests ICH included with the goals. The goals supported by the joint committee are to:

- (1) reduce nonchronic homelessness by 50% over three years;
- (2) reduce chronic homelessness by 20% annually;
- (3) increase funding for training and staffing so that providers may lower barriers to emergency shelter and expand coordinated entry services to be in compliance with federal requirements;
- (4) increase funding for providers to offer more medical respite care programs statewide that provide a place for individuals who are homeless leaving hospitals that need more care than is able to be provided in a shelter;
- (5) increase funding to ensure that all emergency shelters are compliant with the Americans with Disabilities Act; and
- (6) increase funding to expand the Supplemental Security Income/Social Security Disability Insurance Outreach, Access and Recovery (SOAR) program to increase the number of SOAR-certified staff who assist the homeless to qualify for federal benefits.

Youth Reach MD

The joint committee also supports the recommendations of Youth Reach MD, which are to:

- (1) create housing solutions accessible to and designed for and with youth, including rapid rehousing, youth shelters, and youth drop-in centers;
- (2) create housing services for youth previously or currently involved with the child welfare system, juvenile services systems, or corrections systems;
- (3) invest in supportive services for youth experiencing or at risk of homelessness, including developing or improving educational support services, job training and full-time employment with benefits, services for parenting youth, evidence-informed clinical services for youth and families, services for transition-age foster youth, and nutritional assistance, health care, and behavioral health services;

- (4) explore opportunities to decrease disproportionality and overrepresentation in youth homelessness among certain populations, including African American youth, LGBTQ youth, and parenting/pregnant youth; and
- (5) support continued and improved monitoring of youth homelessness by conducting regular statewide counts of homeless youth and exploring opportunities for State agencies to routinely share and link data.

Community Development Network of Maryland

The joint committee also supports the recommendations of CDN, which are to:

- (1) include budget language to require DHCD to study the issue of affordable housing preservation and develop recommendations for refinancing products, policies, and strategies to ensure that Maryland does not lose affordable housing units;
- (2) update and revise the 1999 Assisted Affordable Housing Preservation Act, which requires among other things a notice to certain officials and residents of a notice prior to undertaking certain protected action for certain assisted housing projects (protected actions include prepayment of a mortgage, the termination before expiration of or failure to exercise a state renewal option under an agreement for project-based Section 8 rental assistance for any units in an assisted project, the expiration (or failure to extend after expiration) an agreement providing for project-based rental assistance to any units in an assisted project, and the sale or conveyance of an assisted project by an owner in conjunction with certain other activities), to include notice to local officials related to expiring affordable housing;
- (3) explore capacity and parity for nonprofit affordable housing developers;
- (4) recommend funding that includes housing for those earning 30% of the AMI (deeply affordable housing);
- (5) create designated funding sources for more affordable housing units including the Maryland Affordable Housing Trust Fund and creation of a Community Development Fund or other innovative community development funds; and
- (6) discuss health and affordable housing links.