

**Senate Transportation and Housing Committee and
Senate Veterans Affairs Committee
Joint Oversight Hearing**

**Implementation of the Veterans Housing and Homeless Prevention
(VHHP) Program**

January 5, 2016

Good afternoon. My name is Leon Winston and I am the Chief Operating Officer and Housing Director of Swords to Plowshares, where I have worked for 21 years. A formerly homeless veteran myself and former client, I currently serve on the board of directors for the National Coalition for Homeless Veterans and as an appointee to the US Dept of Veteran Affairs Advisory Committee on Homeless Veterans. My remarks today are my own, are based on my experience in my role with Swords to Plowshares, and are not intended to represent the positions of any other body.

Swords to Plowshares serves approximately 3,000 homeless, low income, and at-risk veterans each year with offices in San Francisco and Oakland. We opened the first veteran-specific Permanent Supportive Housing program in the nation in 2000, consisting of 108 units, and currently operate 7 housing sites with 351 Permanent Supportive and 102 Transitional Supportive units, with 100 additional permanent units now in pre-development - all in San Francisco.

We at Swords to Plowshares, and through our role as a member of the California Association of Veteran Service Agencies, have been following implementation of the VHHP program closely, were involved in the process leading up to Prop 41 reaching the ballot, and are participating in the current VHHP 2016 Stakeholder Advisory meetings hosted by the Institute for Population Health Improvement at UC Davis.

I should note that Swords to Plowshares has not yet applied for funding through the VHHP program, but that we intend to do so in the Fall 2016 round. My perspective today is that of a veteran-specific service provider and co-developer of nonprofit housing wherein we target homeless veterans with high vulnerability and accompanying needs, often referred to as the chronically homeless.

A very real challenge that we see in the creation of this housing is on the services side, particularly so for the large numbers of high-needs homeless veterans that we see in urban settings. In urban settings such as San Francisco, we continue to find it necessary to create housing projects where significant numbers of high need, chronically homeless veterans can be offered permanent housing. They are not adequately served by the HUD VASH Housing Choice Voucher Program, as they simply cannot compete in our regular rental markets. We must create housing opportunities for them. VHHP and the creation of dedicated housing is

a vital tool in addressing this problem. And, the numbers are too significant for us to make any real headway in housing this population if only a relatively small percentage of units in any given project are dedicated to serving them. While we support the creation of mixed-population projects incorporating some number of units for the chronically homeless, we do not see that sufficient numbers of dedicated units will come on line to make a significant dent in the chronic population unless we dedicate large numbers of units specifically for them.

At Swords, over 95% of our existing Permanent Supportive Housing sites are dedicated to this sub-population, having as many as 135 such units in one building. While necessary, and benefiting from economies of scale, providing housing and adequate services to large numbers of high needs veterans in one setting is a considerable challenge. Many of those targeted for these settings are homeless veterans that do not do well in Transitional Housing or treatment based programs. They are often treatment-resistant, and Housing First strategies coupled with a focus on Harm Reduction, Motivational Interviewing, and Trauma-informed Care must be employed if these men and women are to achieve and maintain residential stability. Our view is that services in a veteran specific program need also be culturally competent to meet the unique experiences of those we serve that often underlie other presenting issues.

For us, it is finding dedicated funding for these robust services that is often problematic. On-site supports, including front desk staff, are needed 24 hours a day, 7 days a week. Our model is very successful, and incorporates multi-disciplinary teams of professionals and paraprofessionals, providing direct services on-site. Robust services staffing is required if we are to maintain safe housing that affords our veterans the opportunity to heal and readjust not only from military experience but, often more acutely, from years of homelessness and isolation, including very significant mental health, behavioral health, and physical maladies. Our typical veteran tenant is poly-diagnosed, aged between 45 and 70, and with serious aged-related illnesses appearing 10-15 years earlier than is expected in normal populations. Once a property is stabilized, the majority of our vacancies, over time, are due to end of life transitions. Our goal is to create housing where these veterans can age in place.

When project-based, the HUD-VASH program provides much needed rent-subsidies for VHHP projects, allowing the projects to 'pencil out' from an operations perspective, also providing the availability of VA services. However, the VA services component of the HUD VASH program was not envisioned for this type of setting, and reliance upon VA staff coverage at these sites can be a challenge, although they are trying to do their best. If those services are provided on site, which we see as mandatory in these settings, VA services are only available during normal business hours –leaving a significant staffing burden on the provider. When we take on one of these projects, we understand that our veteran tenants are our responsibility 24 hours a day, 7 days a week, and adequate staffing is paramount. Crises often occur during other than normal business hours. We are very happy that a minimum of 10% of supportive housing units capitalized through the VHHP program must go

to non-VASH eligible veterans, even though the supportive services burden assumed by the operator is that much higher as a result.

So, from our perspective, adequate dedicated funding for service provision in these settings, over and above those offered by the VA, is the main hurdle. This is also the opinion of many of our experienced colleagues in California and nationwide. Willingness by the VA to contract out services for these projects would be welcome, and help address the gap, but there has been significant resistance to doing so by the VA. Often the burden falls to local governments, but the availability of local support is patchy at best.

We do not suggest that one-time VHHP funding be allocated for meeting the support services needs of projects in any significant way. Our view is that California needs to create as much housing inventory as possible from this funding source. VHHP-capitalized reserves for operations or services may improve the viability of given projects, but will directly result in fewer units being created. Therefore we urge lawmakers to find other dedicated sources for services funding for these high-needs projects, possibly through direction to the State Medicaid program, taking advantage of its expansion made possible through the Affordable Care Act.

In my role nationally, I can report that informal dialogue has taken place regarding the possibility of the HUD VASH program working in coordination with VHHP as a pilot program in California, given the California taxpayer's largesse and our having the highest housing need for homeless veterans in the nation. We would encourage the State to formally foster that dialogue with HUD and the VA, as a willingness to look at doing so has been stated informally by these federal partners. With another 8,000 HUD VASH vouchers surviving the 2016 federal budget negotiations, timing is right for entering into these discussions in a meaningful way now. California should receive its fair share of that allocation, and flexibility in the program is needed for those subsidies and services to leverage and take advantage of VHHP capital funding to help meet our common goal of ending veteran homelessness.

At the end of the day, the VHHP program will leverage a significant amount of housing inventory across the State, dedicated to the housing and supportive needs of at risk low income and formerly homeless veterans. The program will create desperately needed housing infrastructure that will not only help to address today's homeless veteran crisis in California, but also to create dedicated housing inventory that will remain in service for tomorrow's veterans. It is crucial that we get it right, and your attention to this program is appreciated.

Thank you for this opportunity to express our views.

Respectfully submitted,

Leon Winston
Swords to Plowshares
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