## Veteran Homelessness Report October 7, 2018

DCA Seeks Input About Applying for National Housing Trust Fund Funding

In 2018, over \$5 million dollars will be available from the National Housing Trust Fund NHTF in NJ. This funding can be used for:

- o project acquisition,
- development
- o renovation or
- reconstruction of affordable housing for extremely low-income households, including special needs families.

The New Jersey Department of Community Affairs (DCA) would like input from you in order to make the Request for Proposals (RFP) process for NHTF funding responsive to the needs of developers and impactful to residents.

Specifically, please respond to the following question and be specific as possible in your answer:

- What components of the NHTF application prevented your organization from applying?
  Please submit your response to James Lordi.
- NHTF provides funding to increase and preserve the supply of decent, safe and affordable housing for extremely low-income households, including special needs families.
- Eligible applicants for NHTF funding are nonprofit and for-profit affordable housing developers that demonstrate strong financial, organizational, and development capacity.

#### Eligible projects for NHTF funding are:

- Acquisition and Renovation (Moderate Rehabilitation)
- Acquisition and Reconstruction (Substantial Rehabilitation)
- Acquisition and New Construction
- A current rental property that is vacant at time of application.
- o A single-family owner-occupied property that is vacant upon purchase.

In order to achieve the State's goals in preventing and reducing homelessness and in providing affordable housing for people who are most vulnerable, including those with disabilities or other special needs, DCA will award only those projects that will provide housing to extremely low-income individuals and families with special needs.

The definition of special needs includes households with:

- Heads of households with mental illness
- Heads of households with physical or developmental disabilities
- Heads of households who are victims of domestic violence
- o Youth aging out of foster care, runaway and homeless youth
- Individuals and families who are homeless
- o Disabled and homeless veterans
- Heads of households with HIV/AIDS

 Head of households who are re-entering the community after incarceration in a correctional facility

#### HUD and VA Secretaries Announce \$35 Million in HUD-VASH Grants

U.S. Department of Housing and Urban Development (HUD) Secretary Ben Carson and U.S. Department of Veterans Affairs (VA) Secretary Robert Wilkie joined together yesterday at the VA Community Resource and Referral Center to announce \$35 million in grants to combat veteran homelessness. The funding will be provided through the HUD-Veterans Affairs Supportive Housing (HUD-VASH) Program to 212 public housing agencies across the country to provide a permanent home for over 4,000 homeless veterans.

The Secretaries also announced an additional \$7.4 million through the Veterans Housing Rehabilitation and Modification Pilot (VHRMP) Program to assist disabled veterans with modifying or rehabilitating their homes, making them more accessible.

"We have few responsibilities greater than making sure those who have sacrificed so much in service to their country have a home they can call their own," said HUD Secretary Carson. "The housing vouchers awarded today ensure homeless veterans nationwide have access to affordable housing and the critical support services from the VA."

"Assisting homeless veterans to gain access to housing helps them in every aspect of their lives," said VA Secretary Wilkie. "This joint effort ensures that the federal government's efforts are aligned in reducing homelessness and aiding veterans. VA and HUD are proud to be teammates in a program that makes a tangible improvement in the lives of the nation's veterans."

The HUD-VASH program combines rental assistance vouchers from HUD with case management and clinical services provided by VA. Since 2008, more than 93,000 vouchers have been awarded and approximately 150,000 homeless veterans have been served through the HUD-VASH program. More than 600 public housing authorities (PHAs) administer the HUD-VASH program, and this most recent award includes 22 additional PHAs, increasing HUD-VASH coverage to more communities.

The New Jersey Department of Comminuty Affairs, partnering with the NJ Health Care System will receives 38 vouchers with a worth of \$365,895.

FYI According to the National Low Income Housing Coalition (NLIHC) 2018 Out of Reach report, in New Jersey, a household earning minimum wage earning 8.60/hour would need to work 107 hours a week to afford a modest 1-bedroom rental home at Fair Market Rent.b Additionally, in order to afford a two bedroom apartment in New Jersey, a household must earn an annual salary of \$58,603. This annual housing wage in NJ is more than twice what the 10% of the state population's living in poverty in the state, according to the 2017 American Community Survey.

## VA and DOL Funding Finalized

H.R. 5895 became the first "minibus" appropriations package for FY 2019 to successfully pass through the halls of Congress when it was finalized on September 13, 2018. President Trump signed the bill into law on September 21, 2018. The package contained separate funding bills covering Energy and Water, Legislative, and Military Construction and Veterans Affairs portfolios. The bill had previously been headed for passage in early July when it was held up over disagreements on how to fund the Mission Act – the rewrite of the VA's much discussed Choice program.

The package contains funding levels for two of the most important veteran homelessness programs at VA: the Supportive Services for Veteran Families (SSVF) program, and the Grant and Per Diem (GPD) program. GPD was never in danger this cycle, and the final number of \$257 million – the same as in FY 2018 – remained consistent from the very beginning of the process. The SSVF program had a more complex pathway to its final number of \$380 million, which is \$40 million above FY 2018. Potential numbers suggested for the program ranged from \$320 million to \$450 million. National Coalition for Homeless Veterans (NCHV) was strongly supportive of the \$450 million figure proposed by the Senate, but in the end Congress was forced to lower that number to in-part pay for the Mission Act funding shortfall.

Along with the actual appropriation bill required to fund VA programs, there is another authorizing bill which must be signed into law. That bill, S. 3479, goes further than usual authorization bills in that it extends for two years – rather than the traditional one year – our VA homeless programs. The Senate passed the bill on Sept. 18, and the House followed the following week on Sept. 25. NCHV thanks Congress for agreeing to this extension. The President is expected to sign S. 3479 soon.

The Department of Labor (DOL) is this year funded through the recent continuing appropriations act, H.R. 6157. This bill was also in conference for several weeks, but on Sept. 13 both the House and Senate agreed to a conference report. Both bodies have recently passed this bill, and today the President is holding a signing ceremony for this bill. Of most importance in the DOL portion of this bill is the section devoted to the Homeless Veteran Reintegration Program (HVRP). The funding level for FY 2019 for HVRP is to be \$50 million, a \$5 million increase over last year. Beyond the basic funding information, the conference report also contains language which will make HVRP available to veterans who have been homeless in the 60 days prior to their entering the program – fixing a long standing issue with veterans who are housed before they can be enrolled in HVRP. NCHV has been working on this issue for several years, and is very happy to have this instruction from Congress included in the conference report. More information on how this will affect your programs is to come.

## Assemblyman Benjie Wimberly Center of NJ's Affordable Housing and Homelessness Debate

On September 10, 2018, NJ Spotlight reported on Assemblyman Benjie Wimberly in article entitled, "The man at the center of New Jersey's affordable housing debate," and his commitment to ending homelessness.

The article profiles New Jersey State Assemblyman Benjie Wimberly (D-Passaic), the new chairman of the Housing and Community Development Committee, who has served in the Assembly since 2012.

July 25<sup>th</sup>, 2018 the Assembly Housing and Community Development Committee held a nearly four-hour public hearing, where some charged that racism plays a role in some local opposition to building affordable housing in New Jersey communities.

But despite sparks flying over the racism accusations, the hearing ran smoothly, getting through the dozens who asked to testify shortly before the time the committee chairman had hoped to finish. I waited over three hours to give a statement allotted three minutes.

Knowing that my time would be limited I provided written comments that were distributed to the committee members. My comments were as followed:

#### HOUSING

<u>A783/S2153</u> Establishes grant program for homeless veterans shelters. Introduced, referred to Assembly Military and Veterans' Affairs Committee 1/9/2018. Introduced in the Senate, referred to Senate Military and Veterans' Affairs Committee 3/5/2018.

This legislation stalled last session in the Senate Budget and Appropriations Committee and Assembly Appropriation Committee.

This bill would require the Adjutant General of the Department of Military and Veterans' Affairs to award grants to certain southern New Jersey counties to provide veterans with improved access to homeless shelters. Under the bill, Atlantic County, Cape May County, and Cumberland County may submit applications to the Adjutant General proposing locations for homeless veterans shelters and identifying property the county would provide to the State for the development of a shelter.

New Jersey's southern counties are in particular need of shelters for homeless veterans. Because of mobility issues, homeless veterans' access to resources is often limited by geographic location. Various factors may have caused homeless veterans to locate within southern New Jersey counties. However, when conditions, such as extreme cold, require them to seek out temporary shelter, they find themselves isolated from shelters and other facilities that provide resources for veterans. This bill would result in the development of shelters in locations appropriate to meet this need.

This legislation was initially introduced in the Assembly and referred to the Assembly Military and Veterans' Affairs Committee 3/16/2015.

We support legislation that addresses the need to provide shelter to veterans experiencing homelessness. Having said that, the legislation has to be meaningful, realistic and have the potential of actually being passed and signed into law.

According to the Fiscal Year 2019 State of New Jersey Detailed Budget, Revenues, Expenditures & Fund Balances, Schedule 3 Expenditures Budgeted (Page C-25); funding for DMAVA for 2017 was listed as Actual \$105,241,000.00 The 2018 Estimated amount was \$96,678,000.00 - - a decrease of \$8,563,000.00. The FY 2019 Estimated amount was \$95,478,000.00 - - a decrease of \$1,200,000.00. The FY 2016 DMAVA budget was 1.061 million dollars less than the FY 2015 budget. The DMAVA budget has been steadily decreasing.

This proposed legislation will take effect immediately. Without a dedicated funding source DMAVA will have to move money from an existing program to fund this program. In each of the two previous sessions this legislation was listed as taking effect immediately even though there was no additional money in the DMAVA budget

to implement this program. The last two budgets alone have cut almost 10 million dollars from the DMAVA budget and yet here is another unfunded program to spend more money from a drastically reduced budget. That is unacceptable.

This is not how we should be addressing the pressing needs of the veteran community. Cutting the DMAVA budget and then requiring the Department to shift funding to provide monies to fund a new program is not legislation that we support. It is disingenuous.

<u>A2165/S2143</u> Grants credit against business income taxes to developer of rental housing reserved for occupancy by veterans. Introduced, referred to Assembly Military and Veterans' Affairs Committee 1/29/2018. Reported favorably from Senate Military and Veterans Affairs Committee 5/31/2018 and referred to Senate Budget and Appropriations Committee.

This legislation was previously passed by the Assembly (76-0-0) 6/8/2017 and stalled in the Senate Budget and Appropriations Committee. It was stalled in the Senate Budget and Appropriations Committee in 2013. This legislation was initially introduced in 2009 in both chambers.

This bill would establish a tax credit for New Jersey housing developers who construct homes for New Jersey veterans. This legislation would provide a credit against an entity's business taxes.

The bill permits a developer to receive a non-refundable credit against New Jersey business taxes. The credit amount is calculated based on the developer's expenditures to create rental housing restricted to occupancy by veterans. The bill provides that expenditures for a wide array of construction and real estate development activities are "allowable costs" that qualify for a credit. The credit amount may be up to 10 percent of the developer's allowable costs for developing veterans' housing.

To receive a credit, the developer must submit both a project plan and an application to the Department of Community Affairs. The Department of Community Affairs will issue a certificate of eligibility, which the developer will file with the developer's tax return to obtain the credit. The Commissioner of the Department of Community Affairs will develop regulations to administer the credit program in conjunction with the Division of Taxation and the Department of Military and Veteran's Affairs.

This program will benefit the developer, however it does not provide any credit or cost reduction for the veteran. It would be ideal that if the developer gets a tax credit, some of the savings is passed on to the veteran. The biggest need is for affordable housing for veterans. If the developer is going to get a credit it would be ideal if the units for the veterans would also receive some sort of discount. This would benefit veterans and improve their odds at getting into affordable housing. Veterans who rent are not entitled to the veterans \$250 property tax reduction or the 100% property tax exemption.

A2985/S1104 Authorizes COAH to credit municipalities with 1.5 units of fair share affordable housing obligation for each housing unit occupied by a veteran; permits municipalities to satisfy fair share affordable housing obligation through 35 percent set aside for veterans. Introduced, referred to Assembly Housing and Community Development Committee 2/8/2018. Introduced in the Senate, referred to Senate Community and Urban Affairs Committee 1/25/2018. This legislation was initially introduced in 2009 and referred to the Assembly Housing and Local Government Committee.

This bill would allow municipalities to obtain credits toward the fulfillment of their fair share affordable housing obligations for housing reserved for certain veterans. This bill would require the Council on Affordable Housing to credit 1.5 units toward a municipality's fair share obligation for each unit of housing occupied by a veteran of low or moderate income.

This legislation also permits a municipality to submit a housing element to the Council on Affordable Housing that sets aside 35 percent of all new affordable housing for low and moderate income veterans who had active service in time of war, as defined by current law.

Maybe someone on this committee would like to explain why after nine years this legislation has not received a hearing in either chamber.

<u>A2986/S1088</u> Authorizes COAH to credit municipalities with 1.5 units of fair share affordable housing obligation for each unit of transitional housing occupied by a veteran. Introduced, referred to Assembly Housing and Community Development Committee 2/8/2018. Introduced in the Senate, referred to Senate Community and Urban Affairs Committee 1/25/2018. This legislation was initially introduced in 2009 and referred to the Assembly Housing and Local Government Committee.

This bill would allow municipalities to obtain credits toward the fulfillment of their fair share affordable housing obligations for transitional housing reserved for certain veterans. This bill would require the Council on Affordable Housing to credit 1.5 units toward a municipality's fair share obligation for each unit of transitional housing occupied by a veteran of low or moderate income who had active service in time of war, as defined by current law.

Maybe someone on this committee would like to explain why after nine years this legislation has not received a hearing in either chamber.

The previous chair, Jerry Green was ill for a long time which led to the Committee being "relatively quiet." "But housing remains a pressing issue, from municipal anger over settlements that have given some suburban communities affordable-housing quotas approaching 1,000 units to the dubious designation of New Jersey as the state with the highest rate of foreclosures.

### Low-Income Housing Tax Credit

Over one-third of the House has signed on to support the Affordable Housing Credit Improvement Act (H.R. 1661.) This bipartisan legislation would make significant strides towards addressing our nation's severe shortage of affordable rental housing by strengthening the Low-Income Housing Tax Credit (Housing Credit).

Currently there are 176 co-sponsors on the House version of the legislation (H.R. 1661) including N.J. Representatives Pascrell (NJ-9), Norcross I(N J-1), Sires (NJ-8) and Smith (NJ-4). The Senate version, S.548 has 40 co-sponsors including both Senators Booker and Menendez. This tremendous support comes after August's omnibus spending bill included a significant down payment on Housing Credit resources by enacting a temporary expansion of the program and the new option for income averaging.

According to the ACTION Campaign, it remains likely that Congress could consider tax legislation in the Lame Duck session after the election, which is the best opportunity to advance more provisions of the Affordable Housing Credit Improvement Act (S. 548/H.R. 1661) this year.

The ACTION Campaign is a coalition of over 2,200 national, state, and local organizations and businesses working to address our nation's severe shortage of affordable rental housing by protecting, expanding and strengthening the Low-Income Housing Tax Credit.

The ACTION Campaign continues to seek increased co-sponsorship to position the Housing Credit as strongly as possible heading into potential legislative negotiations.

All Housing Credit stakeholders are encouraged to continue reaching out to your elected officials who have not yet signed onto the Affordable Housing Credit Improvement Act and urge them to do so.

Stakeholders are also encouraged to thank your members of Congress who have already cosponsored the legislation to reinforce their support heading into potential negotiations.

The support for this proposed legislation in Congress does not fully make up for the decreased production resulting from the Tax Cuts and Jobs Act, so continued advocacy to advance the remaining provisions of the Affordable Housing Credit Improvement Act is critical.

# Support Bipartisan Housing Task Force to Jointly Articulate Robust Solutions to America's Housing Crisis

On August 27, the Opportunity Starts at Home campaign issued its first Call to Action about a specific piece of legislation. The campaign calls on advocates to urge Congress to support the "Task Force on the Impact of the Affordable Housing Crisis Act" (S. 3231).

This bill would create a bipartisan affordable housing task force to better understand the multi-sector impacts of America's affordable housing crisis and to identify solutions.

You can help build momentum by sending a letter to New Jersey's U.S. Senators Cory Booker and Robert Menendez urging them to support the creation of this bipartisan affordable housing task force and spread the word about this letter to your networks and contacts.

## NJ Receives \$4M in Section 811 Mainstream Housing Choice Voucher Funding

On September 4, 2018, The U.S. Department of Housing and Urban Development (HUD) awarded \$98.5 million to 285 local public housing authorities across the country in Section 811 Mainstream Housing Choice Voucher funding. This funding will provide permanent affordable housing to nearly 12,000 additional non-elderly persons with disabilities.

New Jersey received a total of \$3,793,985 in funding to assist 373 persons with disabilities.

The Public Housing Authorities in New Jersey receiving funding include the:

Newark Housing Authority – 79 vouchers,

Elizabeth Housing Authority - 45 vouchers,

Housing Authority of Jersey City - 50 vouchers,

Bergen County Housing Authority - 35 vouchers,

Gloucester County Housing Authority - 40 vouchers,

Collaborative Support Programs of New Jersey - 25 vouchers, and the

New Jersey Department of Community Affairs - 99 vouchers

The housing assistance announced today is provided through the HUD's Section 811 Mainstream Housing Choice Voucher Program. The Mainstream program provides housing vouchers to housing agencies to assist non-elderly persons with disabilities who are:

o transitioning out of institutional or other separated settings;

- o at serious risk of institutionalization;
- o homeless; or
- o at risk of becoming homeless.

## VA Announces Upcoming Awards Of Nearly \$326 Million In Grants To Help At-Risk Veterans And Family Members

VA announced September 4, 2018 that thousands of low-income veteran families around the nation will continue to receive benefits under the Supportive Services for Veteran Families (SSVF) program.

These veterans, who are permanently housed or transitioning to permanent housing, will continue to have access to crucial services with the funding of approximately \$326 million in grants.

SSVF funding, which supports outreach, case management and other flexible assistance rapidly to re-house veterans who are homeless — or at risk of becoming homeless — will be awarded to 252 nonprofit organizations in all 50 states, the District of Columbia, Guam, Puerto Rico and the U.S. Virgin Islands. Catholic Charities Dioceses of Camden, Inc. will receive funds for Atlantic City and County, Camden City and County, Gloucester, Cape May, Cumberland and Salem counties.

Grantees will continue to provide eligible veteran families with outreach, case management and assistance obtaining VA and other benefits. These may include:

Health care

Fiduciary payee

Financial planning

Child care

Legal support

Transportation

Housing counseling, and

Other services.

SSVF grantees are expected to leverage supportive services grant funds to enhance the housing stability of low-income veteran families that are occupying permanent housing. In doing so, grantees are required to establish relationships with local community resources.

In fiscal year (FY) 2017, SSVF served more than 129,450 participants, including approximately 83,900 veterans and 27,535 children. Because of these and other efforts, veteran homelessness is down significantly since the launch of the Federal Strategic Plan to Prevent and End Homelessness in 2010.

The applicants to which grants will be awarded competed under a Nov. 6, 2017, Notice of Fund Availability. Applications were due Jan. 12, 2018. The funding will support SSVF services in FY 2019, which starts Oct. 1, 2018, and ends Sept. 30, 2019.

The SSVF program is authorized by 38 U.S.C. 2044. VA implements the program by regulations in 38 CFR Part 62. Visit www.va.gov/homeless/ssvf.asp to learn more about the SSVF program.

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