

**An Overview of Family Homelessness in Delaware:**

**A Report to Housing Alliance Delaware**

**Initial Final Report – September 2021**

**Revised Final Report – February 2022**

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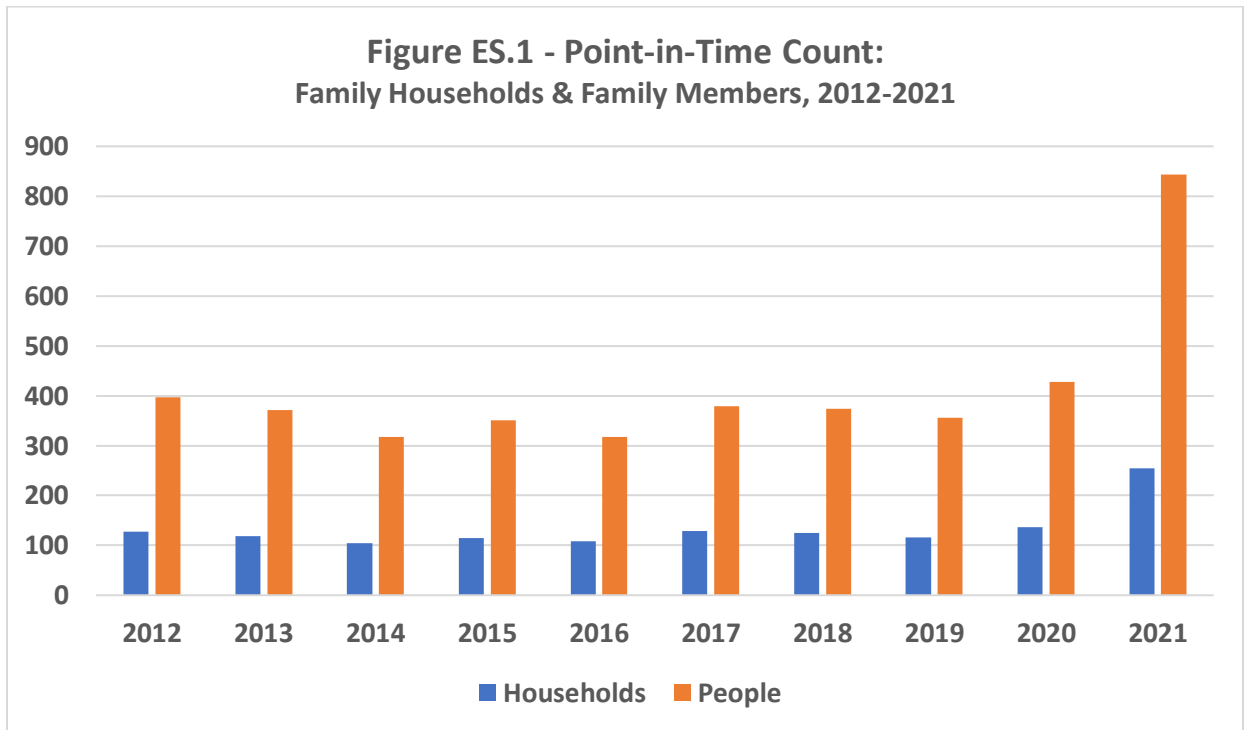
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*Note: This is a revised report version that updates the final report initially presented in September 2021. The revisions are in response to comments made by the Delaware Department of Health & Human Services (DHSS). Due to an unintentional omission, DHSS did not get the opportunity to comment on the report prior to the erstwhile former draft. The authors regret this omission and make some edits to the initial final report based upon these comments. All revisions made to this revised final report will be disclosed in the footnotes.*

## Executive Summary

Family homelessness has largely driven substantial increases in the size of Delaware’s homeless population over the past two years, including a 35 percent increase in the single-night Point in Time (PIT) Count conducted in January 2021 (as compared to the 2020 count). Housing Alliance Delaware, citing the PIT Count, reported that “each of the additional 414 people counted as homeless in 2021 were people in families with children. 243 (58%) of the additional people were children under the age of 18.”<sup>1</sup>



This increase in the number of homeless families in Delaware provides this study with a starting point for examining family homelessness and corresponding homeless services in Delaware. A closer look at the data indicates that this increase is not due to increased numbers of families becoming homeless, but rather to the extended stays in temporary housing that families are experiencing once they are becoming homeless (Section 2). Much of the increase in demand has been absorbed by the State of Delaware’s Division of State Service Centers, which has become the largest source of temporary housing in Delaware as it provides hotel and motel vouchers to more homeless families than all the other emergency shelter (ES) and transitional housing (TH) facilities in the state combined (Section 3). This system-wide shift from congregate ES and TH beds to non-congregate hotel/motel facilities has yielded public health benefits and is more desirable to many homeless families.

<sup>1</sup> Housing Alliance Delaware (2021). “2021 Point in Time Count and Housing Inventory Chart.” Available at: <http://www.housingalliancede.org>.

In contrast, interviews with staff from ES and TH providers featured descriptions of congregate facilities having to decompress their capacity as part of social distancing measures put in place to prevent spread of COVID-19 infections. In addition to reducing their capacity to take in homeless families, many of these shelters implemented policies calling for families to submit recent, negative COVID-19 tests and undergo periods of quarantine in conjunction with entering the temporary housing facilities. As a result, not only has capacity decreased in these facilities, but many also have unfilled vacancy.

Almost all of the service providers who were interviewed agreed that addressing and ending family homelessness is impossible without the sufficient availability of affordable permanent housing (Section 4). The shortage of such housing is the primary barrier to families exiting the homeless services system. Most homeless families face the situation where they lack the means to independently afford housing on the private market, and subsidized housing is extremely scarce. This leaves even comparatively well-resourced programs such as rapid rehousing to face difficulties in returning families to permanent housing. It also highlights a desperate need, either on the federal or state levels, to increase funding for housing subsidy programs.

Substantial assistance has been made available on the federal level with legislation meant to mitigate the economic impact of the COVID-19 pandemic. This includes an unprecedented level of assistance for funding initiatives to address homelessness. The CARES Act, passed in March 2020, included \$4 billion for direct homelessness assistance. The Year-End COVID Relief Deal of December 2020 included Emergency Rental Assistance of \$25 billion. And the American Rescue Plan (ARP) Act passed in March 2021 included spending increases for both homelessness assistance (\$6 billion) and rental assistance (\$21 billion).

This assistance promises to fortify existing homeless assistance programs and enable new projects that go beyond what homeless services providers have traditionally envisioned as being feasible. Several of these initiatives provide resources that could reduce the unprecedented numbers of homeless families currently in temporary housing in Delaware. The most prominent of these initiatives include expanding RRH, developing hotels and motels into permanent and temporary housing facilities, allocating newly available housing vouchers, maintaining temporary hotel and motel placements, and providing emergency rental assistance.

However, the availability of these federal resources also highlights gaps in Delaware's homeless services system that impair the ability of services providers to maximize the impact of this federal assistance on reducing homelessness. Thus, the challenge of allocating these newly available resources in a way that best fits the context of homelessness in Delaware is made more formidable by the need to bolster, and at times to create, key sectors of the homeless services system so that they are able to effectively use these resources.

Based upon the findings of this report, we conclude by offering a set of recommendations:

*Recommendation #1: Perform a thorough assessment of Delaware's Rapid Rehousing (RRH) programming with the objective of increasing family placements into permanent housing*

*Recommendation #2 – Continue hotel and motel voucher assistance at a level that reflects the need for temporary, non-congregate housing*

*Recommendation #3 – Increase non-congregate housing capacity (temporary and permanent) in conjunction with HOME American Recovery Plan Act (HOME-ARP) funds*

*Recommendation #4 – Use Emergency Housing Vouchers (EHV) to reduce family homelessness*

*Recommendation #5 – Restore and increase supply of State Rental Assistance Plan (SRAP) vouchers for homeless families*

*Recommendation #6 – Coordinate planning and resources to assist homeless families*

*Recommendation #7 – Expand, consolidate and improve data coverage*

*Recommendation #8 – Develop new affordable housing resources*

*Recommendation #9 – Revisit the Delaware CoC's 2017 Action Plan for ending homelessness.*

This report has started with taking a closer look at the alarming increases in family homelessness over the previous two years, and continued with an examination of temporary and permanent housing availability, as well as the unprecedented availability of federal funding to alleviate this homelessness.

The recommendations provided here offer some ways to use federal assistance to fortify existing homeless assistance programs and also to enable new projects. However, there are also measures that can be taken in the absence of federal assistance that would address some current deficiencies that we found in the services provision to homeless families. Not only would they enhance the services for homeless families in Delaware, they would also better position homeless services providers to leverage the additional assistance that is currently being made available.

Taken together, these recommendations address the current increases in families receiving homeless services, and provide a basis for shoring up these services for any influx of newly homeless families.

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## **Section 1 - Introduction**

The number of homeless families in Delaware has increased precipitously over the past two years, and as the COVID-19 pandemic continues and protections against evictions erode, experts are warning that this number may continue to increase.

Despite the recent increases, little has been put forth to explain the dynamics that have led to these increases in family homelessness, and there have been no recent analyses of the housing services, temporary and permanent, that are available in Delaware to homeless families. This is particularly important now, as current COVID-19 relief efforts have provided substantial additional resources for addressing homelessness.

This report provides an overview of family homelessness and corresponding services available to them in Delaware. The next section of this report (Section 2) focuses on the homeless family population, and includes an assessment of the dynamics related to the growth in the number of such families. Section 3 continues with an assessment of the temporary housing available for homeless families in Delaware. Drawing on available data and interviews from representatives of most of the temporary housing providers in the state, we detail a system whose structure has fundamentally changed since the onset of the COVID-19 pandemic. Section 4 then takes a detailed look at the permanent housing available to homeless families, a factor that is widely agreed by service providers as the most critical dimension of addressing family homelessness. Section 5 details the federal assistance available for addressing homelessness among families, and how this assistance fits the needs of and capacities for such families in Delaware. Finally, in the concluding section we draw upon our findings in this study as a basis for a set of nine recommendations intended to guide efforts to reduce the numbers of homeless families in Delaware.

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## Section 2 – Homeless Families in Delaware – Population Size, Dynamics and Characteristics

Housing Alliance Delaware (HAD) recently reported a 35 percent annual increase in the size of Delaware’s homeless population based on a the single-night Point in Time (PIT) Count conducted in January 2021. HAD attributed this dramatic one-year increase to the proliferation of homeless families, as:

“Each of the additional 414 people counted as homeless in 2021 were people in families with children. 243 (58%) of the additional people were children under the age of 18.”<sup>2</sup>

This increase in the number of homeless families in Delaware, and the corresponding challenges that it provides for the state’s homeless services, provides a starting point for this section on the size, dynamics and characteristics of Delaware’s homeless family population. Drawing on data from four sources, we patch together a profile that provides some focus for better understanding the increased PIT Count numbers, their presence as recorded in different services streams, and a description of family characteristics and circumstances. This sets the stage for exploring the network of housing providers for homeless families in subsequent sections of this report.

### 2.1 – Point in Time Count

The most commonly used means to assess the size of homeless populations is the annual Point-in-Time (PIT) Count. The PIT Count is an annual nationwide enumeration of all people who are literally homeless<sup>3</sup> on a given night in late January. Local continuum of care organizations<sup>4</sup> are mandated by the US Department of Housing and Urban Development (HUD) to conduct the PIT Count as a condition of receiving HUD-distributed federal homeless assistance funds. By providing a snapshot of homelessness on a regular basis with a consistent methodology, the PIT Count allows for an annual series of measures that provides a gauge for changes in homeless population size over time.<sup>5</sup>

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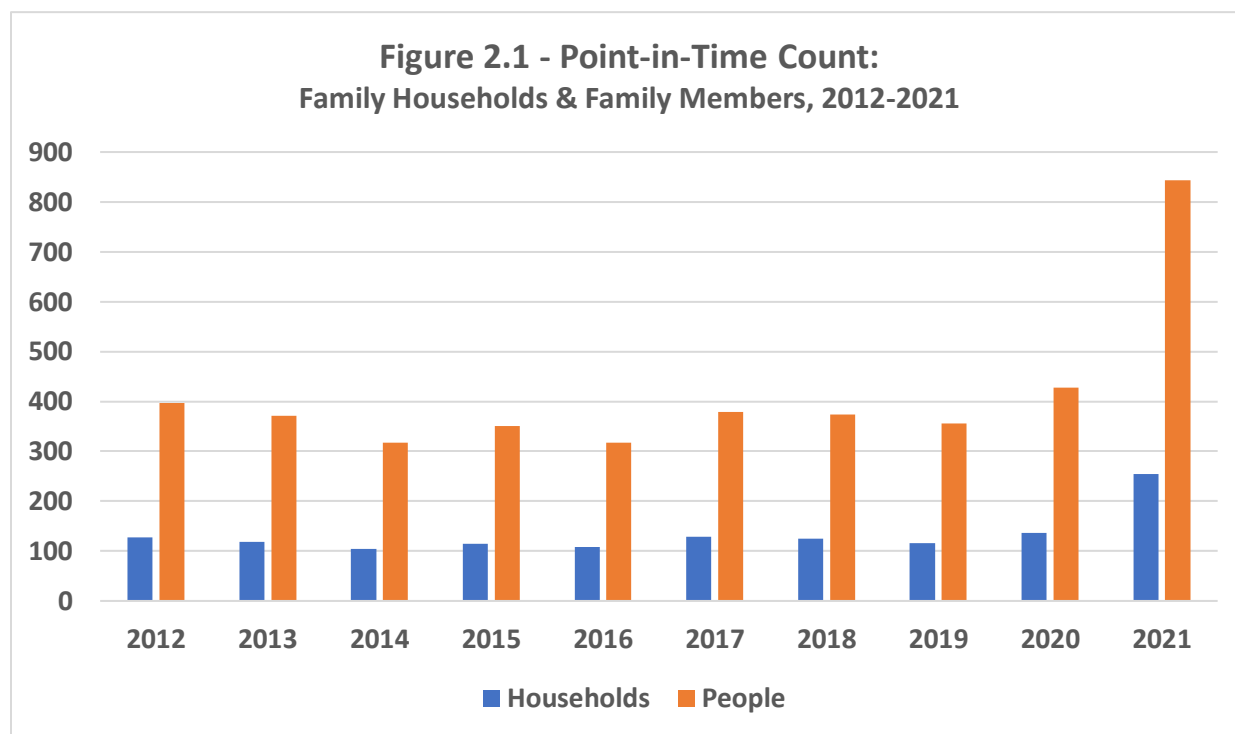
<sup>2</sup> Housing Alliance Delaware (2021). “2021 Point in Time Count and Housing Inventory Chart.” Available at: <http://www.housingalliance.de.org>.

<sup>3</sup> HUD’s definition of homelessness, often characterized as a literal definition, is, in short, an “(1) Individual or family who lacks a fixed, regular, and adequate, nighttime residence, meaning: (i) Has a primary nighttime residence that is a public or, private place not meant for human habitation; (ii) Is living in a publicly or privately operated shelter.” For a more detailed definition, see: [https://files.hudexchange.info/resources/documents/HomelessDefinition\\_RecordkeepingRequirementsandCriteria.pdf](https://files.hudexchange.info/resources/documents/HomelessDefinition_RecordkeepingRequirementsandCriteria.pdf)

<sup>4</sup> Continuum of Care here refers to a community planning body required by HUD to organize and deliver housing and services to meet the specific needs of people who are homeless as they move to stable housing and maximum self-sufficiency. Continuum of Care is often used to refer to the system of programs to address and prevent homelessness as well as the body the coordinates such efforts. For more information, see: <https://endhomelessness.org/resource/what-is-a-continuum-of-care/>

<sup>5</sup> For more info on the PIT Count, see Meghan Henry, Tanya de Sousa, Caroline Roddey, Swati Gayen, and Thomas Joe Bednar (2021). *The 2020 Annual Homeless Assessment Report (AHAR) to Congress. Part 1: Point-in-Time Estimates of Homelessness*. Washington DC: US Department of Housing and Urban Development. Available at: <https://www.huduser.gov/portal/sites/default/files/pdf/2020-AHAR-Part-1.pdf>.

Figure 2-1 shows the numbers of families (households and people) counted as homeless in Delaware in PIT Counts over the past decade.<sup>6</sup> Over the first eight years (2012-18), the numbers of homeless families who were enumerated as homeless on a given night fluctuated between 104 and 128 (317-397 people), before increasing to 136 families (428 people) in 2020 and jumping to 255 families (843 people) in 2021. The 2021 PIT Count features, by far, the highest number of homeless families ever enumerated in a Delaware PIT Count since these counts were first reported to HUD in 2005.<sup>7</sup>



Changes from year to year in the PIT Counts of homeless families can be explained in basic terms of systems thinking as changes in stocks and flows. The PIT Count number represents a “stock,” which is simply the number of people (or families) who are counted as homeless at a specific point in time. This stock represents a function of different flows into and out of homelessness. More specifically, what determines the number of people who are homeless on a given night is both the inflow of people who have lost their housing and have lapsed into homelessness, and by the outflow of people who manage

<sup>6</sup> Footnote HUD reports at <https://www.hudexchange.info/programs/CoC/CoC-homeless-populations-and-subpopulations-reports/>; 2021 PIT data obtained directly from the Housing Alliance Delaware (HAD). also refer to HAD website for specific details on Delaware counts. Point out that PIT Counts all homeless individuals (adults and children) and households, and that the family counts provided here are subsets of the more comprehensive PIT Counts.

<sup>7</sup> The previous high number of homeless families in a Delaware PIT Count was, in 2005, was 142 families (459 people). Other than a low count of 85 families (281 people) in 2008, all other Delaware PIT Counts have had homeless family counts in the range (104-128 families) that was given in the text.

to exit homelessness back into more stable housing arrangements. The relationship of the inflow rate to the outflow rate explains changes in the homeless population counted on a particular night.

Thus, in 2021, the large increase in the number of homeless families enumerated in Delaware's PIT Count could have come from an influx of families who lost housing due to factors such as the economic pressures brought on by the COVID-19 pandemic. Alternately, the number of families entering homelessness could have remained steady (or even decreased), but the PIT Count number could still have increased if families exited homelessness at lower rates (experienced longer stays in shelter). Reduced exits could result from a number of factors. For example, fewer housing units may have become available for exits as a result of the eviction moratorium imposed during the pandemic, or by the reduced numbers of exits to crowded, "doubled up" living arrangements with family or friends prompted by increased fears of COVID-19 transmission. Additionally, and not mutually exclusive, changes in the quality and capacity of shelter may also have reduced incentives to exit, for example, through more spacious or private accommodations made available through hotels. It is not immediately apparent from looking at the PIT Count itself whether the increase in the "stock" of homelessness, such as is reflected in the 2021 Delaware PIT Count, is due to an increased inflow of families, a decreased outflow brought on by reduced exit opportunities, or both.<sup>8</sup>

## 2.2 – Homeless Families in Hotels and Motels

Prior to the pandemic, the Division of State Service Centers (DSSC) provided emergency shelter benefits in the form of hotel/motel vouchers to individuals and families in need. Based on available federal and state funding, the benefit was limited to \$1,200 per household over a 12-month period. As the pandemic began and Governor John Carney's stay-at-home order took effect in late March 2020, DHSS/DSSC was able to work with community partners to identify hotels and motels with plummeting occupancy rates that could be used to place individuals and families who were experiencing homelessness, including those who may have been exposed to COVID-19 or were symptomatic. DHSS, working with the Governor's Office and the Delaware Emergency Management Agency (DEMA), has been able to leverage state and federal funding to extend those stays multiple times.<sup>9</sup>

In Delaware's 2021 PIT Count, much of the overall increase in the number of homeless families was driven by the increased number of homeless families who were staying in hotels and motels that were paid for by vouchers from the State of Delaware's Division of State Service Centers (DSSC). Specifically, 174 of the 255 families (68 percent) were enumerated in hotels and motels, with 592

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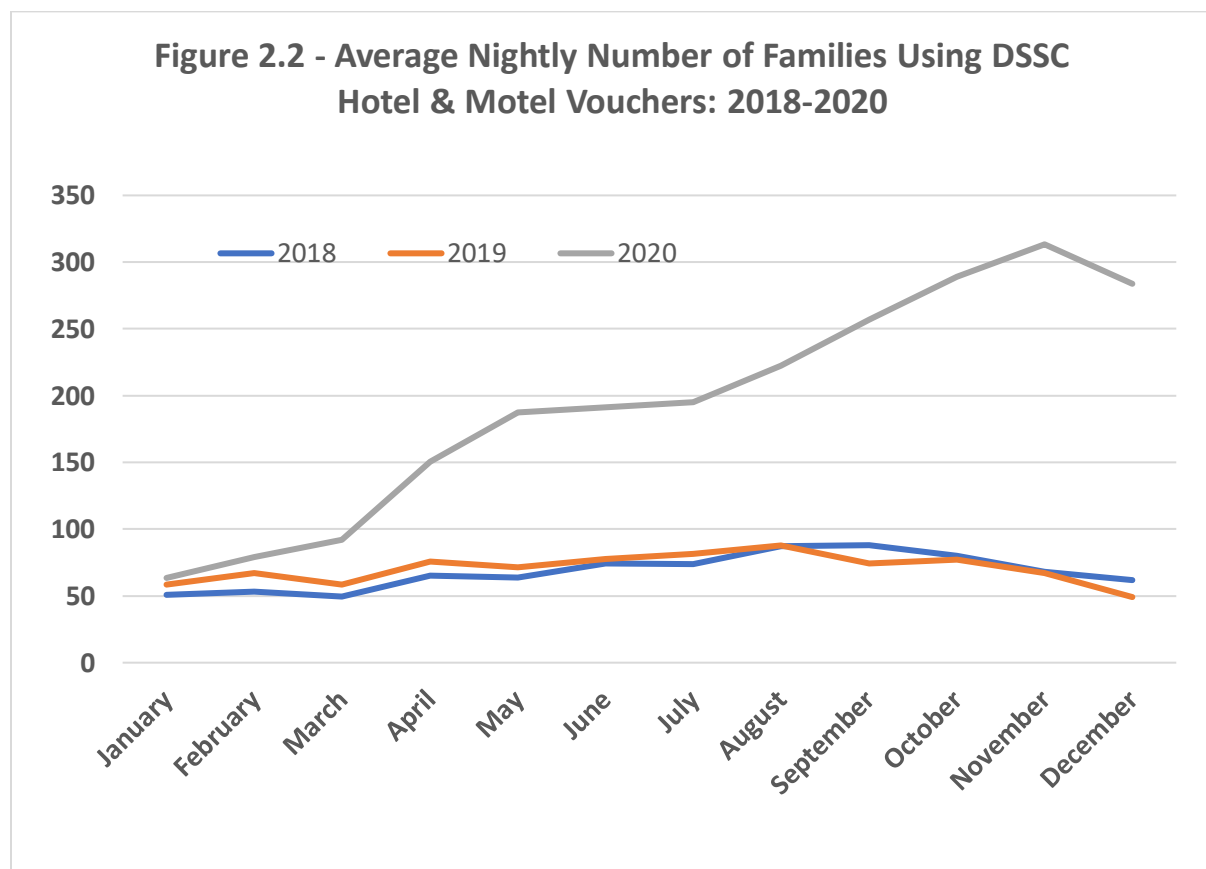
<sup>8</sup> Generically, stocks and flows are often explained using a bathtub metaphor. The level of water in the bathtub represents a stock, with the rate of inflow from the water spigot and outflow of water through the drain representing the outflow. The relationship of the inflow and the outflow of water will determine the level of the water in the bathtub. See, for example, L.B. Sweeney (2000), "Bathtub Dynamics: Initial Results of a Systems Thinking Inventory", accessed at: <http://web.mit.edu/jsterman/www/Bathtub.pdf>.

<sup>9</sup> This paragraph is added in this revised report based upon background information provided by DHSS.



people (adults and children) in these 174 families. By comparison, in the 2020 PIT Count there were only 50 people enumerated in hotels and motels, and not all of them were in families.<sup>10</sup>

This increased use of hotel and motel vouchers is directly related to the COVID-19 pandemic. In response to the pandemic, the supply of emergency shelter (ES) and transitional housing (TH) facilities for homeless families contracted in order to reduce the risk of COVID-19 transmission. To compensate for this loss of emergency housing capacity and to provide quarantine facilities for unstably housed households (i.e., families and individuals) that were exposed to or infected with COVID-19, DSSC expanded its program of paying for temporary hotel and motel stays. As shown in the PIT Count, this led to DSSC becoming the major provider of emergency housing for homeless families in Delaware.



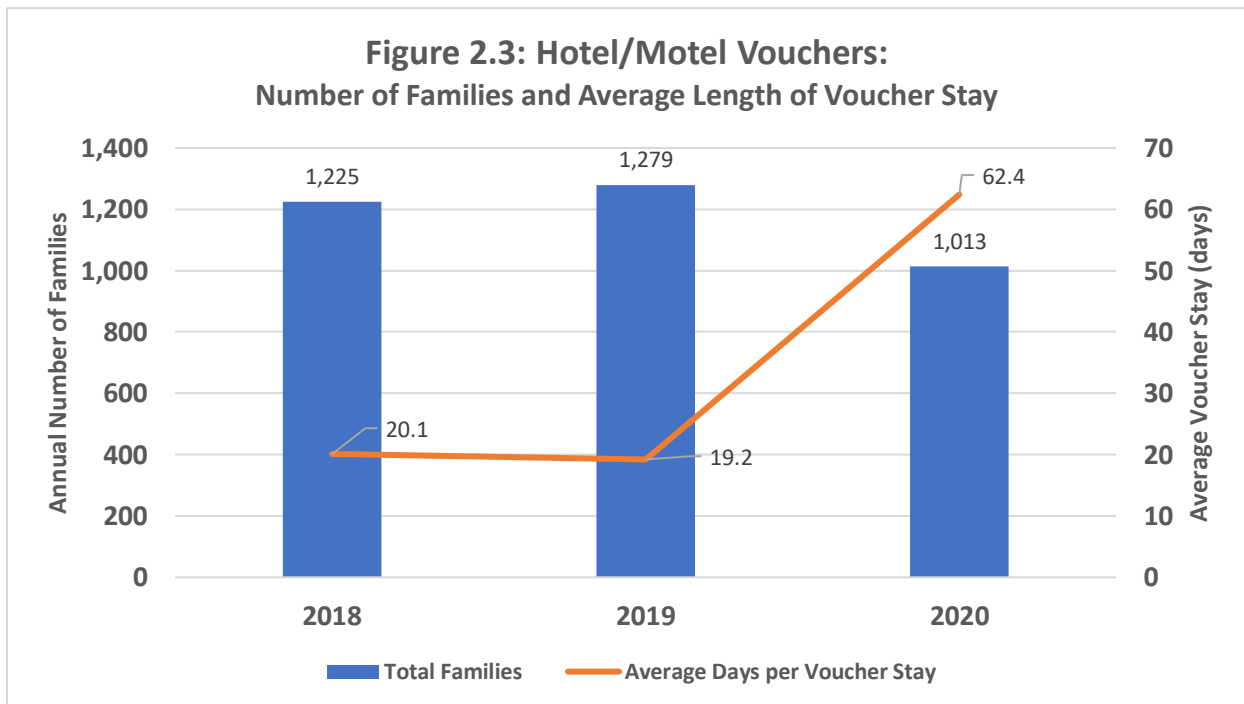
DSSC data on families that were given hotel and motel vouchers provides insights on the dynamics that are behind the increases in families shown in the recent PIT Counts. Whereas PIT Counts offer a one-night snapshot of the homeless population, the DSSC data contains records of vouchers

<sup>10</sup> Individual household-level PIT Count data was only available for 2021. Source for the statistic that 50 persons were enumerated in hotels for the 2020 PIT Count is stated in HAD report “2021 Point in Time Count and Housing Inventory Chart” (see note #1); further information on these 50 people was unavailable.

provided to families over an entire three-year period (2018-2020) that provides more information on the inflows and outflows of families into hotels and motels.

Figure 2-2 shows the average nightly census, by month, of families in DSSC-funded hotel and motel rooms. The census numbers shown here are consistent with the drastic increase in the numbers of homeless families on a given night. During the two years prior to the onset of the COVID-19 pandemic restrictions in March 2020, the number of families that were receiving DSSC hotel and motel vouchers on a given night consistently stayed between 50 and 90. After that, the numbers of families with these vouchers on a given night steadily increased until there were 313 vouchered families on an average night in November 2020, more than quadruple the average of the nightly census numbers for the Novembers of 2018 and 2019.

While Figure 2-2 shows how the average number of homeless families spending a given night in a vouchered hotel or motel room soared on a given night, Figure 2-3 indicates that the number of homeless families receiving such accommodations over the course of a year actually declined, from 1,225 and 1,279 (in 2018 and 2019, respectively) to 1,013 in 2020. Figure 2-3 also shows that as the annual number of families declined, the average length of time that a family stayed on a voucher more than tripled, from just under 3 weeks in 2018 and 2019 to just over two months in 2020.

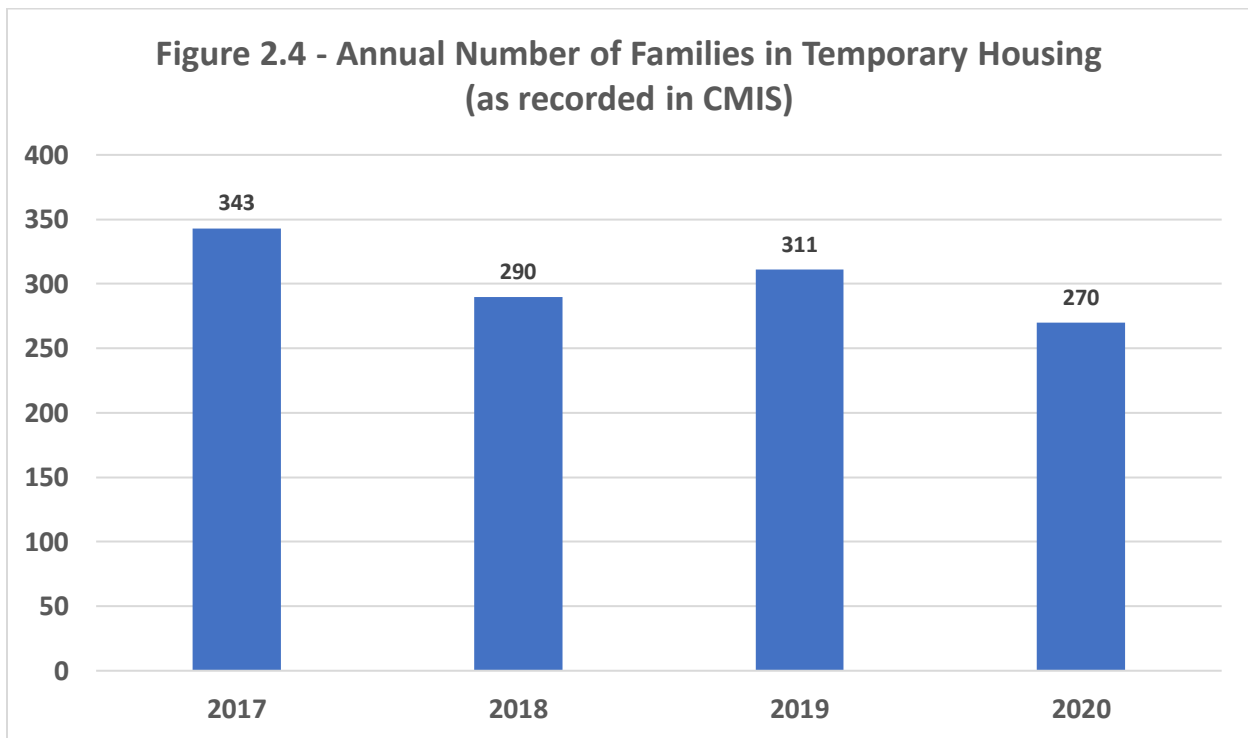


To summarize these findings, 2020 was a difficult year for DSSC, as the number of families that it was handling at a given time quadrupled, overwhelming the staff and substantially increasing the costs associated with this assistance stream. However, this increase did not come from more families seeking to use the services. Instead, the families that were receiving the vouchers stayed in

the hotels and motels for substantially longer periods of time. From a systems perspective, the data indicate that the increase in homeless families shown here (and in the 2021 PIT Count) are the result of families taking much longer to exit the system.

### 2.3 – Homeless Families in Emergency Shelter (ES) and Transitional Housing (TH)

While the number of families enumerated in the 2021 Delaware PIT Count soared, the families enumerated in shelters and transitional housing (i.e., temporary housing) actually declined from the 2020 count. To get a more detailed look at the families staying in temporary housing, we examine a second dataset, the Community Management Information System (CMIS). CMIS collects data on homeless and related services provided by organizations participating in Delaware’s statewide CoC, as well as on the people using these services. For this study, analysis of CMIS data provides a basis for population-level information on homeless families that stay in temporary housing, as well as some information on the year-to-year dynamics of this population. Incomplete coverage of services, however, limits these analyses from offering a comprehensive view of the homeless families in temporary housing and services they consumed.<sup>11</sup>



<sup>11</sup> CMIS coverage of emergency shelter (ES) and transitional housing (TH) beds for families in 2021 is 74%. Source: Housing Alliance Delaware (2021). *HIC Basic Summary for DE-500 - Delaware Statewide CoC* (Report to HUD). Coverage does not include families receiving hotel/motel vouchers, as voucher records are not included in CMIS.

**Table 2-1 – Family Characteristics and Circumstances from CMIS data: 2017-2020**

		2017	2018	2019	2020	2017-2020
Households		<b>343</b>	<b>290</b>	<b>311</b>	<b>270</b>	<b>1053</b>
Race/ Ethnicity	White Non-Hispanic	17%	17%	11%	16%	15%
	Black Non-Hispanic	67%	67%	72%	66%	68%
	Hispanic	11%	14%	12%	11%	13%
	Other/Missing	6%	2%	5%	6%	5%
Sex (Head of Household)	Male	22%	19%	15%	16%	19%
	Female	78%	81%	85%	84%	81%
	Other/Missing	0%	0%	0%	0%	0%
Number of Adults in Household	1	71%	70%	73%	77%	71%
	2	24%	27%	23%	19%	25%
	3+	4%	3%	4%	4%	4%
Number of Children in Household	1	44%	48%	45%	46%	46%
	2	31%	30%	27%	27%	29%
	3	16%	15%	16%	14%	15%
	4+	9%	8%	12%	12%	11%
Age Groups (Head of Household)	18 – 29	30%	29%	33%	26%	29%
	30 – 54	63%	67%	61%	70%	65%
	55 – 64	6%	4%	4%	3%	4%
	65+	1%	1%	2%	1%	1%
	Other/Missing	0%	0%	0%	0%	0%
Presence of Children	Under age 5	53%	49%	57%	49%	52%
	Age 5-17	77%	71%	72%	72%	74%
Veteran	Yes	4%	4%	4%	1%	4%
Disability Categories	Drug/Alcohol	13%	18%	10%	12%	13%
	Developmental	10%	16%	14%	9%	12%
	HIV_AIDS	0%	0%	0%	0%	0%
	Mental Health	33%	37%	34%	24%	32%
	Physical	19%	20%	26%	16%	20%
Insurance Types	Medicaid	83%	89%	92%	80%	88%
	Medicare	4%	6%	6%	6%	6%
	Veterans	2%	2%	2%	1%	2%
	Other	7%	8%	5%	6%	7%

Figure 2-4 shows the annual number of families with a record of a temporary housing stay in CMIS for the previous four years. There is some variation in this annual prevalence, with 2020 having the fewest number of families receiving these services. This reduction in families in 2020 is due at least in part to

factors related to the COVID-19 pandemic, as temporary housing facilities have had to reduce their capacity and implement testing and quarantine requirements as a condition of entry. Families may also have been more reluctant to stay in congregate housing due to the risk of COVID-19 infection.

CMIS data also provides information about family characteristics and circumstances, shown in Table 2-1. The findings in the table include:

- Families are predominantly non-Hispanic Black (68 percent), followed by the non-Hispanic White (15 percent), and Hispanic (13 percent). The proportion of Black families is disproportionate to Black representation in Delaware’s overall and poverty populations.<sup>12</sup>
- Seventy-one percent of the families contain one adult, and just over four-fifths of the families (81 percent) were headed by women.
- Families most often had one child (46 percent), with 29 percent of the families having 2 children. The remaining quarter of the families had three or more children.
- The age of the head of household was, for 65 percent of the families, in the 30-54 age group, while 29 percent of the families were headed by adults in the 18-29 age group.
- Just under three-quarters (74 percent) of the families contained school-aged children, and just over half (52 percent) contained preschool aged children.
- Several categories of disabilities (self-reported) were recorded in CMIS. One-third (33 percent) of the families reported having at least one member with a disabling psychiatric disorder. Other reported disabilities were physical disabilities (20 percent), substance use (13 percent), and developmental disabilities (12 percent), while virtually no families reported a member with HIV.
- A large majority (83 percent) of the families reported at least one member with Medicaid coverage.

#### 2.4 – Centralized Intake

HAD administers a Centralized Intake (CI) on behalf of the CoC that provides a single contact point for individuals and families seeking temporary housing in Delaware. As described on their website, CI “operates the process by which Delaware coordinates access to emergency shelter, rapid re-housing, and permanent supportive housing for households experiencing homelessness.” All year-round family ES and TH programs (except for the Sunday Breakfast Mission) will receive new intakes exclusively through CI. While CI regularly refers potentially eligible families to DSSC for hotel/motel vouchers, a CI referral is

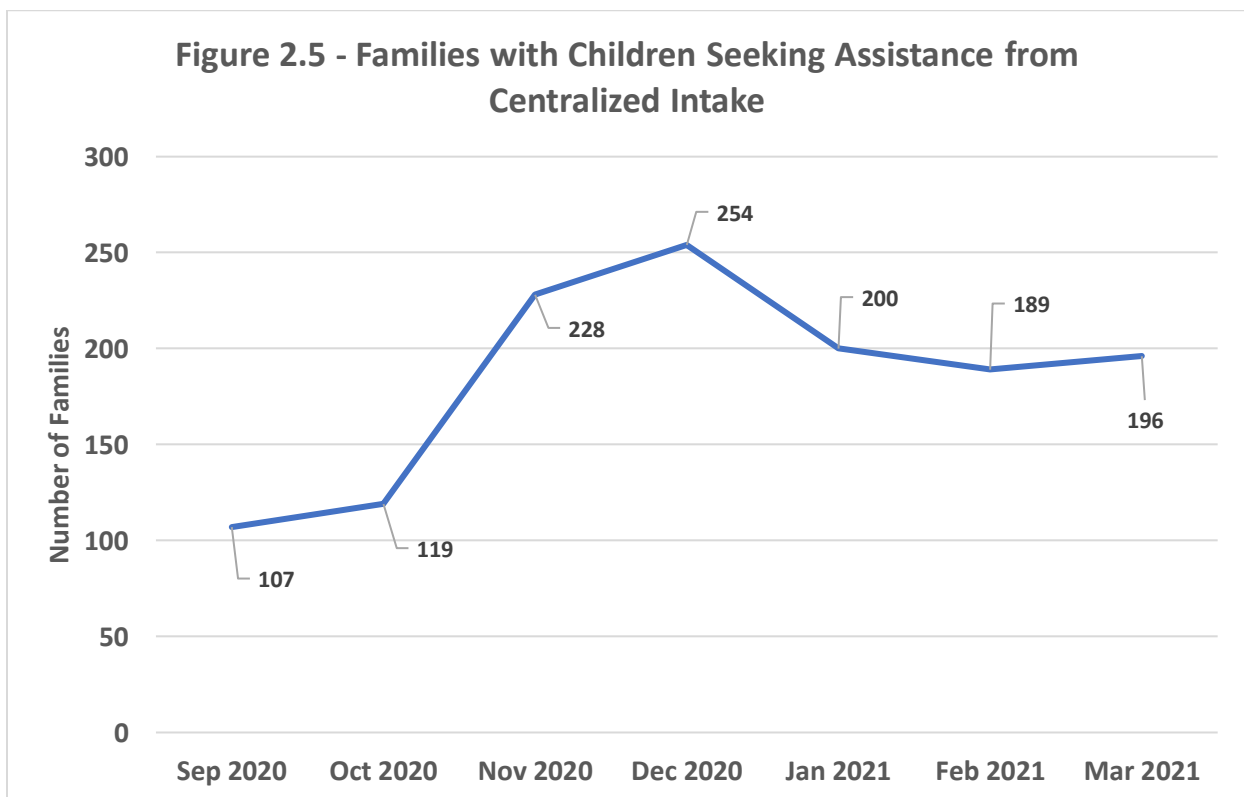
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<sup>12</sup> For a more detailed examination of racial disparities among Delaware’s homeless population, see Housing Alliance Delaware’s 2020 report *Racial Disparities and Equity: Homelessness in Delaware* that is available at: <https://www.housingalliance.org/housing-alliance-publications>.

not required for DSSC to provide them with a voucher, nor does it guarantee that a family receives said voucher.<sup>13</sup>

Since October 2020, the CI program has maintained a dashboard which provides some basic statistics on a monthly basis showing the number of households that they engage with in specific situations. These data are a promising source for measuring the volume of and trends in demand for temporary housing. However, the relatively short time that this dashboard has been operational (previous data collection did not allow for comparable numbers), and the lack of differentiation of either household types (family and individual households are grouped together) or of housing type (temporary and permanent housing requests are grouped together) precludes drawing data that is comparable to other data presented in this section.

Figure 2-5 shows the monthly numbers of families who sought assistance through CI, and highlights some of the pitfalls to interpreting CI data as it is currently reported. The assistance sought by these families includes both temporary, permanent and possibly other housing, and the short time span covered in the data precludes comparing these monthly numbers to those in months prior to the COVID-19 pandemic. The overall increase over the seven months shown here may reflect a secular trend, or it may instead come from seasonal variation or some other type of short-term factor.



<sup>13</sup> Information on Centralized Intake, as well as their data dashboard, is available at <https://www.housingalliance.org/centralized-intake>.

2.5 – Family Homelessness as Recorded by Delaware School Systems

Another perspective on homelessness among families comes from data collected by Delaware’s 19 public school districts, along with some charter and private schools, and reported to the US Department of Education (DoE) on students who were identified as homeless while they were enrolled in school at any time during the school year.

**Table 2-2 – Homeless Students Enrolled in Delaware Schools**

	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>
Total Number of Homeless Students Enrolled	3,313	3,479	3,539
Primary Nighttime Residence			
- Shelters and Transitional Housing	91	151	122
- Unsheltered	19	4	16
- Doubled-up or Shared Housing	2,606	2,903	2,694
- Hotels or Motels	480	325	527
Unaccompanied (not with parent or guardian)	310	344	408

Table 2-2 shows data on students identified as homeless over each of the last three years for which data were available.<sup>14</sup> These data should be interpreted with caution, as differences in defining data fields and data collection methods will often lead to results that are apparently comparable to elements of other data sources used in this section being qualitatively very different. Noteworthy examples of such differences include:

- The DoE data are based on broader criteria for homelessness, captured in the range of nighttime residence categories on the table, than are used in other measures of homelessness. Most students who are counted do not appear to have experienced the literal homelessness that would have them be enumerated in the PIT Count.
- These data were collected over an extended time period, instead of on a specific night such as is done for the PIT Count. Many students listed as homeless here will also have been “housed” during some part of the school year.
- Students are only in a subset of homeless families, and represent only a subset of people in their families. Conversely, multiple students could be part of the same family household. Thus, it is difficult to compare students in this table with the data on children in households in Table 2-1.
- Data in Table 2-2 include both students who are unaccompanied and students in family households. Unaccompanied youth are beyond the scope of this report.
- Twenty-six percent of homeless families in temporary housing only have children who are younger than school age, who would not be included in the DoE data.

<sup>14</sup> Data was retrieved from the US Department of Education’s ED Facts website, <https://www2.ed.gov/about/inits/ed/edfacts/data-files/school-status-data.html>.

- The steady but modest increases in the numbers of homeless students in the three years covered here are not consistent with population dynamics recorded in the other data sources used in this section, and 2019-2020 school year data is unavailable.
- The DOE data is the only data source used in this section to include students who were living doubled up in a household with family or friends. The 2,600 to 2,900 students per school year who were living doubled up are typically not considered as literally homeless, but, among literally homeless households, living in doubled up circumstances is a common antecedent.

## 2.6 – Conclusion

The PIT Count has shown family homelessness to have increased substantially over the past two years, and especially from 2019 to 2021. A closer look at the data indicates that this increase is not due to increased numbers of families becoming homeless, but rather to the extended stays in temporary housing that families are experiencing once they are becoming homeless.

This is an important distinction to make, as reducing the size of the homeless population will largely be driven by the availability of permanent housing and other resources that facilitate quicker exits for families from temporary housing. Conversely, looking at trends from the past two years, a failure to move families out of temporary housing risks a situation where the need for temporary housing accommodations will continue to increase (although the number of families seeking this housing is not increasing) and will threaten to exceed Delaware’s temporary housing capacity.

The data also show that the hotel and motel vouchers provided by DSSC have become the largest source of temporary housing, to which DSSC serves more homeless families than all the ES and TH facilities in the state combined. Much of this increased hotel and motel capacity has been brought on by responses to the COVID-19 pandemic, and the ramifications of this will be explored in subsequent sections of this report.

CMIS data, along with providing further support to findings that the number of families receiving temporary housing has not been increasing, also provides a basis for understanding the characteristics and circumstances of the homeless families that use Delaware’s temporary housing facilities. All in all, it reinforces a profile of a homeless family population that is disproportionately Black and headed by single women, with levels of disability that are lower than is typical in single adult homeless populations. There is nothing from this profile to indicate that the homeless families captured in the CMIS data are different from their counterparts in other states.

The DoE data, with its number of students who are identified as doubled up, shows one more facet of homelessness among families beyond the families staying in ES, TH, and hotels/motels. Doubled up families are often invisible in counts of homeless populations, and these counts of students serve as a reminder of how housing needs extend beyond the families who are staying at temporary housing accommodations.

Finally, this section is based upon five datasets that come from three different sources. This reflects the fragmentation of the temporary housing services for homeless families, an issue that will be explored further in subsequent sections. Each of these data sources covers an incomplete facet of family



homelessness, and each also has data coverage shortfalls that further limit their utility. This section, in which we pull together these sources to present an integrated profile, has pointed out the risks of comparing these datasets and we have been cautious in the conclusions we draw from these data. Efforts (some ongoing) to expand and coordinate these data sources would greatly increase the capacity of these data to inform future efforts to address the needs of these homeless families.

### Section 3 – Emergency Housing for Homeless Families

In this section we provide an overview of Delaware’s network of temporary housing, which consists of emergency shelters (ES), transitional housing (TH), and hotel/motel voucher assistance and is operated by a collection of nonprofit and government organizations. In examining the provision of this temporary housing, we identified ten organizations that provided almost all of such accommodations to Delaware’s homeless families on a regular, year-round basis and conducted interviews with administrators and staff from each of these providers. Information gained from these interviews, along with supplementary materials, provide the basis for the findings reported in this section.

The interviews, which were conducted remotely and lasted approximately one hour, were semi-structured and were based on a questionnaire that focused on the specific services they provide, the impact of the COVID-19 pandemic, the population dynamics in their shelter, gaps they see in the family homelessness system, challenges they face in providing services, the barriers that families face in exiting homelessness, and their relationships with other agencies. In some cases, we followed up the interviews with emails to provide clarification of information provided or to expand on particular subjects that came up during the interview. Notes from the interviews and follow-ups were reviewed and used to identify relevant themes that are presented in this section.

In presenting the findings, we look in turn at the three key components of temporary housing in Delaware. First, we look collectively at the ES and TH providers that have traditionally comprised the bulk of Delaware’s temporary housing capacity. After that, we give an overview of the provision of hotel and motel vouchers that has, in the past year, grown to become Delaware’s primary provider of temporary housing for families. Third, we look at how these services fit into Delaware’s Continuum of Care (CoC), which represents its more general homeless services system. Having presented these components, we summarize the main gaps and needs as are identified by the informants whom we interviewed and then assess the key issues and challenges facing the system based upon what we have reported.

#### 3.1 – Overview of Emergency Shelter (ES) and Transitional Housing (TH) Facilities

**Table 3-1 – Emergency Shelters and Transitional Housing Capacity of Agencies Interviewed**

<b>Shelter Provider</b>	<b>County</b>	<b>Emergency Shelter Capacity (Families)</b>	<b>Transitional Housing Capacity (Families)</b>	<b>Total Capacity (Families)</b>
YWCA	NCC	29	38	67
Peoples Place II	Kent	13	13	26
Sunday Breakfast Mission	NCC	15	25	40
Ministry of Caring	NCC	15	8	23
Catholic Charities	NCC	0	12	12
Salvation Army	NCC	11	0	11
The Shepherd Place	Kent	6	1	7
Family Promise	NCC	3	4	7
Sussex Community Crisis Housing	Sussex	1	2	3
<b>Total</b>		<b>93</b>	<b>103</b>	<b>196</b>

Table 3.1 provides an inventory of organizations that provide ongoing, year-round ES and TH and from which personnel provided interviews.<sup>15</sup> Together they represent 90 percent of the statewide capacity for homeless families.<sup>16</sup> All of these providers are nonprofit organizations with some religious affiliation, though most provide services in a secular context. Housing is provided in either congregate settings, individual rooms for families, and, in some cases of transitional housing, in housing that is owned by the organization.

Much of this capacity is concentrated in New Castle County. Looking at the collective capacity for 103 families in TH and 93 families in ES that are represented by the providers in Table 3-1 as a proportion of the 18,981 families living in poverty in the state, there are 10.3 year-round ES and TH beds per 1000 families in poverty statewide. Table 2 breaks down this family ES and TH capacity per 1000 families living in poverty for the three Delaware counties. New Castle County, with ES capacity for 73 families and TH capacity for 87, has 16.5 units per 1000 families in poverty. Sussex County, in comparison, has less than one unit available per 1000 families in poverty. This geographic disparity in ES and TH facilities means that the homelessness system in Sussex County relies largely on vouchers for hotel and motel rooms from State Service Centers and Code Purple temporary shelter facilities during periods of extreme cold.

**Table 3-2 – Family Capacity by County**

<b>County</b>	<b>Est. Families in Poverty (2015-2019)</b>	<b>Est. Percent Families in Poverty (2015-2019)</b>	<b>Emergency Shelter Capacity (Families)</b>	<b>Transitional Housing Capacity (Families)</b>	<b>Total Family Capacity</b>	<b>Capacity per 1000 Families in Poverty</b>
Sussex	4662	7.44	1	2	3	0.6
Kent	4634	10.27	19	14	33	7.1
New Castle	9685	7.33	73	87	160	16.5
<b>Total</b>	<b>18981</b>	<b>-</b>	<b>93</b>	<b>103</b>	<b>196</b>	<b>10.3</b>

3.2 – COVID-19 Impact on Emergency Shelter and Transitional Housing Capacity and Occupancy

The official capacity counts in Table 3-1 are largely unchanged from those reported before the onset of the COVID-19 pandemic, when in reality many of the organizations interviewed here described

<sup>15</sup> In selecting agencies to be interviewed, we did not include seasonal “Code Purple” shelter providers and agencies that operated domestic violence shelters. The ES/TH unit tallies in Table 3-1 are based on Housing Inventory Count numbers (HIC) provided by HAD and confirmed by organization officials. In two instances, officials pointed out discrepancies between actual capacity and what was reported in HIC (SBM reports ES capacity for 15 families compared to 0 in HIC, and FP reports capacity in ES for 3 families and in TH for 4 families, compared to 2 and 3, respectively, in HIC). In these cases, we use the numbers provided by the organizations.

<sup>16</sup> These nine ES/TH providers, with their capacity to shelter 179 families, account for 90 percent of the 199 family capacity that is listed on the 2021 HIC for Delaware, as reported to the US Department of Housing and Urban Development. Organizations not included here that are listed on the HIC are STEHM (Supportive Transitional and Emergency Housing Ministry), with 1 transitional housing unit, Child Inc., with emergency shelter capacity for 7 families displaced due to domestic violence, and Kent County Code Purple, which provides overnight emergency shelter for up to 12 families in cold conditions during the winter months.

decompressing their capacity as part of social distancing measures put in place to prevent spread of COVID-19 infections. In addition to reducing their capacity to take in homeless families, many of these shelters implemented policies calling for families to submit recent, negative COVID-19 tests and undergo periods of quarantine in conjunction with entering the temporary housing facilities. Families needing emergency housing may have been reluctant or unable to either take these steps or to go to shelters due to perceived risk of COVID infection.

The COVID-19 pandemic presented a serious disruption for the family shelter system in Delaware. The effect was primarily felt by emergency shelters, with transitional housing programs being relatively unaffected. Of the transitional housing providers interviewed, only Catholic Charities' Bayard House had to reduce capacity. Family Promise normally operates a rotational shelter for families utilizing spaces and volunteers provided by church congregations. That shelter model has been discontinued, with families now residing in motel rooms and church congregation volunteers providing them meals at those locations. Other emergency shelters – Ministry of Caring, Peoples Place II, Catholic Charity's Bayard House, and Shepherd Place – reduced capacity by as much as 50% in their emergency shelters. Some have since returned to full capacity with special protocols in place to mitigate the risk of COVID-19 infections. Notably, YWCA and Sunday Breakfast Mission remained at full capacity throughout the pandemic. YWCA truly sheltered in place, extending clients' stays well beyond normal allowances and closing the shelter to outside visitors. By July, some clients began to transition out into housing and YWCA was able to begin admitting new clients with precautions in place.

All shelters implemented special protocols to mitigate the risk of COVID-19 entering or spreading among the shelter population. Restrictions on visitors, expanded cleaning and sanitation, curbing congregational activities, and sanitizing stations were nearly universal among shelters. As mentioned above, some shelters reduced their capacity to facilitate social distancing within their facilities. Many shelters closed congregational spaces and ended congregational activities; instead providing programming like skills training, personal development and case management through digital platforms.

Screening prospective clients to prevent COVID-19 from entering shelter populations from outside was accomplished by providers in a variety of ways. Some shelters simply required new clients to attest that they were symptom free. Others required new clients to be cleared by a negative COVID-19 test before entering. This presented a problem at times, as it meant that families who experienced current or imminent loss of housing faced waiting several days or more before results became available and they could move ahead with securing shelter.

Overall, preventative measures were very successful. Many shelters reported no cases among their shelter population. One shelter had two cases of clients contracting COVID-19 – in both cases clients remained in the shelter and were able to self-quarantine. Another shelter had one incident of a shelter resident contracting COVID – the shelter was temporarily closed for sanitization and the individual was removed to a hotel/motel. Thus, in the two instances where providers disclosed resident families with COVID, they involved a low number of isolated cases that did not spread beyond the individual case. Interestingly, it was more common for shelter staff to contract the virus and, in all cases reported in interviews, the virus was contracted by the employee outside of their work at the shelter. It would appear that while burdensome to the family emergency shelter system, protocols put in place to prevent COVID-19 outbreaks within shelters were largely successful.

While finding permanent housing for clients has historically been difficult for those in the family homelessness system - both emergency shelters and transitional housing – the service providers interviewed indicated that COVID-19 has exacerbated this. Many of the providers interviewed speculated that eviction moratoriums might be suppressing the usual turnover in the rental market, resulting in fewer units coming available for clients in the shelter and transitional housing system. Another speculation was that landlords were less willing to rent to homeless families, who often had poor or no credit, because landlords feared it would be more difficult to evict them.

All of this suppressed the number of families that were actually housed in temporary housing. Many of the organizations interviewed reported ongoing surplus capacity despite the reduced number of beds available. The 2021 PIT Count results illustrate this, as there were 30 families enumerated in emergency shelter facilities (77-family capacity) and 35 families enumerated in transitional housing facilities (102-family capacity) for an overall occupancy of 36 percent. Staff at some emergency shelters, like Ministry of Caring, attribute the decline in demand at their facilities to a preference for the hotel/motel voucher assistance. Sussex Community Crisis Housing has seen a shift in the characteristics of their shelter population that they attribute to the same preference, although their services are still utilized by people interested in the casework component that comes with their facility.

### 3.3 Overview of Delaware Division of State Service Centers (DSSC) and Hotel/Motel Vouchers

In contrast to the excess capacity reported in ES and TH facilities, the number of homeless families that received temporary housing through DSSC-issued hotel/motel vouchers ballooned following the onset of the COVID-19 pandemic. DSSC operates 15 State Service Centers that provide “one-stop service access” to state-administered benefits and assistance programs (including cash assistance, SNAP and Medicaid) for low-income Delaware households. This includes an emergency assistance program that provides, among other short-term aid, hotel/motel vouchers for households (single and family) that are receiving or potentially eligible for other state-administered cash assistance programs such as TANF or SSI.<sup>17</sup>

In April 2020, in response to the need for non-congregate temporary housing and quarantine space for homeless households, DSSC substantially expanded its hotel-motel voucher assistance to adapt to the demand for such space stemming from the COVID-19 pandemic. As part of this expansion, DSSC:

- 1) contracted with hotels that closed during to the pandemic to expand their pre-pandemic capacity to provide temporary housing;
- 2) extended the voucher stays, if needed, beyond the 4-week stay limit that the program customarily provided; and
- 3) provided rooms for households that needed to quarantine or were at high-risk for contracting COVID-19.

The dramatic, pandemic-related increase in the program’s capacity was demonstrated in the previous section (see figures 2.2 and 2.3). Funding to expand the voucher program initially came from State and

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<sup>17</sup> For further information, see the DSSC website: <https://dhss.delaware.gov/dhss/dssc/> and the slide show presentation by DSSC Director Renee Beaman to the Delaware Continuum of Care (July 22, 2020), available at: <https://www.housingalliance.org/new-page>.

New Castle County emergency funding, and then from Community Development Block Grant and possibly other federal COVID-19 relief funding streams.

Interviews with Centralized Intake staff recounted how this expansion of hotel/motel voucher services strained DSSC personnel and resources. Specifically, referring homeless families to DSSC for voucher assistance would initiate a process that would often last four weeks and require several CI follow-ups to ensure that DSSC staff would process a family's application. Processing capacity, as opposed to voucher availability, seemed to be the primary factor to account for these delays. They saw DSSC staff as being overwhelmed with the large increase in the number of vouchered families. DSSC interviews also recounted logistical barriers brought on by offices closing due to pandemic restrictions and COVID-19 infections among DSSC staff impacting their operations. DHSS officials, in response, stated that DSSC staff responded in a manner that recognized the urgency and immediacy of emergency housing requests that originated through the CI process and directly from families directly requesting assistance from DSSC. This included responding to after-hours calls and emails from families seeking emergency shelter at times when CI offices were closed.<sup>18</sup>

DSSC officials acknowledged additional challenges in transitioning families with hotel/motel vouchers into more permanent housing. Permanent housing was in critically short supply.<sup>19</sup> DSSC's emergency assistance services were geared for a brief assistance period, and were not structured to provide ongoing case management and wraparound supports for all families, who now often stayed in hotels for multiple months.<sup>20</sup> To provide the vouchered families with case management services, DSSC has sought assistance from other state and nonprofit agencies. Another overriding concern with the extended stays that many vouchered families were now experiencing in hotels and motels was whether funding would be available to sustain the voucher program in face of the unrelenting, unprecedented demand.

In late 2020, New Castle County (NCC) purchased a vacant, 190-room Sheraton Hotel facility and within six weeks had repurposed it into what instantly became Delaware's largest shelter. Along with accommodating households (single and family) in former hotel rooms, the now-rechristened NCC Hope Center also provided office and clinical space so that various organizations could make an array of in-house services available for these households. The Hope Center is, in this report, included with DSSC's voucher program (instead of with the ES and TH facilities) because DSSC provides hotel vouchers to pay for families to stay at the NCC Hope Center, thereby drawing its family clientele from those who would

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<sup>18</sup> This paragraph was revised from the original final report and includes text based upon DHSS comments to the original report. The original text of this paragraph stated: "Expanding the hotel/motel voucher services in this fashion strained DSSC personnel and resources. Interviews with Centralized Intake staff recounted that their referring homeless families to DSSC for voucher assistance would initiate a process that would often last four weeks and require several CI follow-ups to ensure that DSSC staff would process a family's application. Processing capacity, as opposed to voucher availability, seemed to be the primary factor to account for these delays. DSSC staff were not only overwhelmed with the large increase in the number of vouchered families, but DSSC interviews also recounted further logistical barriers brought on by offices closing due to pandemic restrictions and COVID-19 infections among DSSC staff impacting their operations."

<sup>19</sup> This sentence was revised from the original final report, which stated: "Not only was housing in critically short supply, but DSSC also lacked case management and other wraparound services capacity." Reference to case management services is taken out of this sentence and taken up in the subsequent sentence, which is also revised.

<sup>20</sup> This sentence was revised from the original final report, which stated: "DSSC's emergency assistance services were geared for a brief assistance period, and were not set up to provide ongoing supports needed for families who now often stayed in hotels for multiple months."

otherwise be staying in more conventional hotels and motel facilities. In turn, DSSC, Friendship House, and other agencies are able to provide vouchered families with services not available at other hotel/motel sites, such as case management, medical, behavioral health, and other services.<sup>21</sup>

The increased demand for hotel/motel vouchers that DSSC has experienced contrasts with the excess capacity reported by ES and TH providers. This increase in use of hotels and motels came after voucher availability was expanded, in response to the pandemic, with the mission of “getting people off the street” and providing temporary housing that permitted quarantining and effective social distancing for families vulnerable to COVID-19. DSSC states that they will not provide voucher assistance to families who could stay at a shelter. In contrast, Centralized Intake reports that families in need of temporary housing show a clear preference for hotel accommodations, and CI will consider that preference when issuing referrals. DSSC and CI staff each are clear that they screen and triage families based on need and the services that are appropriate for their situation.

The number of families staying in hotels and motels paid for by DSSC vouchers is less than the number at the time of the 2021 PIT count (January).<sup>22</sup> In June 2021, DSSC initiated and then backed off of an effort to effectively end the extended motel stays that were initiated in response to the COVID-19 pandemic. Since then, DSSC has started to return to pre-pandemic provision of emergency voucher disbursements through a partnership with the state’s Division of Social Services (DSS) where DSS case managers work with vouchered households to transition them to other living arrangements. Further details related to this initiative are unavailable, thus no information is available as to the quality and stability of these arrangements. Furthermore, it is unclear why the state has curtailed voucher provision instead of pursuing federal funding to continue providing vouchers at levels reported earlier.<sup>23</sup>

### 3.4 – Temporary Housing for Homeless Families and Delaware’s Continuum of Care (CoC)

The CoC is the central coordinating entity for homeless services in Delaware, and one of a network of CoC’s established by HUD that cover the entire area of the US. CoC’s are designed to facilitate having homeless services organizations work together in a particular jurisdiction toward the common goal of providing for the needs of the homeless population and ultimately to ending homelessness. Delaware’s CoC is comprised of a membership of organizations and individuals, including people with lived experiences of homelessness, who have some stake or interest in developing solutions to homelessness, and is governed by a board of directors. Housing Alliance Delaware (HAD), a separate nonprofit organization, is the lead agency for the Delaware CoC, and as such provides administrative support and coordinates continuum-wide activities such as managing the CMIS and Centralized Intake, and

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<sup>21</sup> In this revised sentence, we note DSSC’s contribution to operating the Hope Center. The original sentence stated: “In turn, Friendship House, and other agencies are able to provide vouchered families with case management services not available at other hotel/motel sites, with medical, behavioral health, and other services also available on site.”

<sup>22</sup> This sentence was revised from the original final report, which stated: “Currently, DSSC is seeking to relinquish its position as Delaware’s primary provider of temporary housing.”

<sup>23</sup> This sentence was revised from the original final report, which stated: “Furthermore, there has been no clear explanation of why the state is looking to curtail voucher provision instead of pursuing federal funding to continue providing vouchers at levels reported earlier.”

coordinating CoC-wide funding applications for federal programs (and associated reporting requirements) administered through HUD.

All but one of the providers that we interviewed participate to some extent in the CoC. The Sunday Breakfast Mission (SBM), a non-denominational, evangelically-oriented organization that is based upon financial and volunteer support from a collection of churches in the region, eschews any governmental financial assistance and declines to participate in key CoC structures such as CMIS and Centralized Intake (CI), although they do participate in the annual PIT Counts. On the other end, three transitional housing programs that were operated by organizations listed on Table 3.1 received HUD funding through the CoC,<sup>24</sup> and four of these organizations and DSSC have representatives on the CoC's governing board.<sup>25</sup>

Data collection is one of the two principal activities performed under the CoC structure that potentially integrates the temporary housing providers into an integrated system. The importance of data as a basis for understanding the dynamics of homelessness and the effectiveness of interventions and services is widely recognized,<sup>26</sup> and the CoC actively collects data in its annual one-night PIT Count and on an ongoing basis through its CMIS database. While PIT Count participation is more or less universal among temporary housing providers, there is an overall 74 percent coverage rate among temporary housing beds.<sup>27</sup> Among the nine providers interviewed for this study, the entire SBM organization and one Ministry of Caring facility (Samaritan Housing) does not report any data to CMIS, while two others, Shepherd Place and Sussex County Crisis Housing reports data but does not update their data consistently. The primary reasons for not fully participating in CMIS include personnel or logistical limitations, or, as with SBM, not seeing data reporting as aligning with their service mission.<sup>28</sup>

The coverage gaps among the temporary housing are dwarfed, however, by the problem of DSSC not reporting any data from their voucher services into CMIS. The 2021 PIT Count had 592 people (comprising 174 families) staying in vouchered hotel/motel accommodations on a single night, and which were not entered into CMIS. Adding this voucher capacity into the coverage mix would mean that the CMIS coverage would drop to 31 percent. This coverage rate was low enough to where HAD stated, in their 2020 System Performance Report to HUD, that the 2020 CMIS data was insufficiently complete for drawing accurate conclusions about homelessness in Delaware.<sup>29</sup> With the NCC Hope Center entering data into CMIS, those vouchered families staying there will now be included, however, the majority of DSSC's vouchered families still do not get reported into CMIS due to incompatibility between DSSC's information system, described by DHHS officials as "woefully outdated,"<sup>30</sup> and CMIS. Until this

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<sup>24</sup> The funding received from these three organizations (YWCA, Ministry of Caring, and Family Promise) together represented approximately 8 percent of the \$8.3 million that the Delaware CoC received in 2020 HUD's non-competitive funding process. See: <https://www.housingalliancedelaware.org/cocfunding>.

<sup>25</sup> The five organizations with board representation are YWCA, DSSC, Family Promise, Catholic Charities and Ministry of Caring. In full disclosure, this study's principal investigator (Metraux) also sits on the CoC's Board of Directors. See: <https://www.housingalliancedelaware.org/the-delaware-continuum-of-care>.

<sup>26</sup> See, for example, Community Solutions's approach to ending homelessness in local jurisdictions: <https://community.solutions/our-solutions/our-approach/>.

<sup>27</sup> See note #9.

<sup>28</sup> Housing Alliance Delaware, 2021 CMIS Gaps Analysis (as reported to HUD). Accessed from author.

<sup>29</sup> See Housing Alliance Delaware (2021), Delaware Continuum of Care FY20 System Performance Report: October 1, 2019 - September 30, 2020. Report available by request from author.

<sup>30</sup> The clause "described by DHHS officials as 'woefully outdated,'" is added to this revised version of the final report.



situation changes, data collection on homeless families in Delaware will remain fragmented and limited in its ability to guide responses to family homelessness in Delaware.

Participation in CI is the second indicator of the extent of systemwide collaboration among temporary housing providers. As explained in subsection 2.4, CI provides a single contact point for individuals and families seeking temporary housing in Delaware. This obviates the need for individual ES and TH facilities to field calls for housing and to maintain separate waiting lists, and keeps homeless families from having to contact multiple agencies for temporary housing. Most agencies participate in CI, with the exception of the SBM and DSSC, who both will accept referrals from CI but will also field inquiries from other sources. SBM states that participating in CI would limit the opportunity for homeless families to participate in their programming. DSSC cites logistical issues as precluding their exclusively relying on CI for referrals. Non-participation leads to reduced coordination between providers, however. In particular, it is unclear whether DSSC protocols are followed in prioritizing ES placements over voucher provision, as described at the end of subsection 3.3.

Another dimension that fractures the integrated provision of temporary housing is geography. As pointed out in section 3.1, ES and TH services are disproportionately concentrated in New Castle County, which creates a situation where accessing these facilities from Kent or Sussex Counties are likely to require a substantial relocation. Instead, as the DSSC voucher program has grown, DSSC officials describe a situation where the majority of their family voucher placements originate in Sussex county, although it only contains 24 percent of the statewide population. Kent and Sussex counties are also primarily rural, while large parts of New Castle County are urban and suburban. Taken together these dynamics split the statewide CoC into more informal local components.

During our interviews, two examples came up where temporary housing providers collaborated in providing integrated services within the CoC structure. The first, already mentioned, is the Hope Center where DSSC's voucher services partnered with New Castle County's management of this shelter and services contributions from a range of other providers to provide the families (and individuals) staying at the shelter a wider range of services than any single provider would be able to. The second was a program, HomeWorks, that emerged in the Christina Public School District's Dual Generation Center<sup>31</sup> and was coordinated by the Governor's Family Services Cabinet Council.<sup>32</sup> This pilot program used a "by-name list" of children in families experiencing homelessness and a "provider team" of service providers who met weekly to collaboratively "work the list" and come up with housing and other resources that were needed to stabilize the families. Christina School District has 600-800 students who experience homelessness annually. This team was meeting and coordinating assistance for the families of approximately 50 of these students before the initiative was suspended due to the COVID-19 outbreak. In describing this program, staff from the Delaware State Housing Authority, a participant in this pilot, characterized these efforts as highly effective as a result of the resources made available by the providers at these meetings.

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<sup>31</sup> More information on the Dual Generation Center is available at: <https://www.christinak12.org/domain/3568>.

<sup>32</sup> More information on the Governor's Family Services Cabinet Council is at: <https://governor.delaware.gov/family-services-cabinet-council/>.

### 3.4 – Identified Gaps and Needs

All of the interviews conducted for this study featured questions about gaps and unfilled needs that most impact the ability to work with families in temporary housing. The first response that nearly all interviewees brought up was the difficulty in providing permanent housing for client families that is both affordable and available for residents to transition into from the homelessness system. A substantial number of families continue to enter homelessness while proportionately fewer have real opportunities to exit into permanent, sustainable housing. The primary factor in this is a severe lack of affordable housing throughout the state, exacerbated by the COVID-19 pandemic.

The lack of housing units that are affordable to families experiencing homelessness is due to several factors. Subsidized housing, in the form of housing vouchers, is scarce and subject to long waiting lists. Shelter staff at the Salvation Army said a shelter resident getting a Section 8 voucher would be “a miracle”. Due to their scarcity, families in emergency shelters do not consider Housing Choice Vouchers as an option in their search for sustainable permanent housing. Families in transitional shelters get at least one year and often more to establish financial stability and seek permanent housing. This makes obtaining a voucher more feasible but, in reality, still very rare. However, transitional housing does provide more time for residents to establish a sustainable source of income, save money, and search for permanent housing.

Even when rentals are affordable to a family in the shelter system, they are not always truly available. A number of barriers still exist to obtaining them. Some shelter providers remarked that there can be a stigma associated with families in the shelter system. Some landlords have had negative experiences in the past. Many attest that cultivating relationships with landlords open to renting to vulnerable populations is an important component of their casework. Such landlord outreach can take months or even years to come to fruition, demonstrating the hesitancy of many landlords to rent to economically unstable families trying to escape homelessness. Sussex County Crisis Housing staff described maintaining and continually updating a binder of potential rentals for their staff and clients to use in their search for housing. Clients often have other barriers to obtaining housing such as an eviction or eviction filing in publicly available court records; property debt from their previous loss of housing; poor credit histories and very low incomes relative to the general population. These conditions also drive away landlords of affordable rental properties.

Another major need that providers noted was employment opportunities. Employment is difficult for many heads of families in the homelessness system. Many don't have job skills to get employment that can sustain permanent housing at market rents. Childcare is also an obstruction to either pursuing career skills or obtaining full-time employment. With most families in the shelter system being single-headed households, it can be difficult, if not impossible, to maintain full-time employment while caring for young children. Some shelters and transitional housing providers do have child-care provided on site so clients can work or attend school. Along with the many family-level challenges noted, several providers mentioned either that they had good relationships with organizations that focused on employment and vocational services or mentioned the need for having such organizations available.

Many service providers brought up concerns about behavioral health issues – mental health and/or substance use – that manifest among the families that stay in their facilities. These providers generally attribute these conditions with families' housing instability and homelessness. Each shelter attempts to balance accessibility to shelter with adhering to a program of care. There is a rough continuum among

the providing organizations in responses to behavioral health issues. On one end, there are stringent behavioral health requirements, such as in the Sunday Breakfast Mission's transitional housing program, where residency in the transitional facility is contingent upon total sobriety and compliance with any required program of psychiatric treatment. Other shelters, such as Shepherd Place in Dover, provide whatever support they can (including access to treatment services), but residency is not contingent upon sobriety or treatment. Respondents also noted that behavioral health issues create problems with managing the housing facilities and the difficulties they have in linking family members to needed care due to a dearth of mental health services in the community.

Finally, a number of shelter providers, particularly in Kent and Sussex counties, remarked that transportation is an issue for residents to not only reach the shelter, but also to get from shelters to service providers and places of employment. One Kent County shelter staff-person remarked that some tenants prioritized obtaining a car over permanent housing due to the necessity of transportation and the added utility of being able to sleep in a car should a family find themselves without shelter or housing again.

Two focus groups, each consisting of unstably housed pregnant and parenting women at two Delaware sites, were performed for a housing feasibility study that is unrelated to this study, but looks at these women's perspectives on similar gaps and needs that the service providers spoke about here. The women in the focus groups were unanimous in the difficulty inherent to finding stable and permanent housing in their communities, and they expressed great frustration at the years-long waiting lists for Housing Choice vouchers (i.e., Section 8) and at navigating different housing options. The areas in Delaware they considered desirable were also seen as not having low-income housing options. Other particular obstacles they rated as most formidable included lack of employment and income and having no credit.<sup>33</sup>

### 3.5 – Conclusion

Delaware's temporary housing network has been transformed over the past year to where the DSSC's hotel and motel voucher program, which historically assisted a small share of homeless families that sought housing services, now assists well over half of the families who were in temporary housing on a given night. This has magnified the coverage gaps in the CMIS database and has highlighted coordination issues with CI. This has also created a situation where DSSC has been overwhelmed by the demand for vouchers while longtime ES and TH providers had unused capacity in their facilities. At the time of its writing, DSSC is working to transition families receiving vouchers to exit the program and thereby reduce the numbers of families and the lengths of stays back to pre-COVID-19 levels. Given the volume of homeless families that DSSC currently supports with their vouchers, any substantial scaling back of DSSC services could potentially overwhelm the remaining supply of temporary housing.

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<sup>33</sup> Akiba Drew (HMA Associates). Presentation to Delaware Healthy Mother and Infant Consortium's Social Determinants of Health workgroup, June 25, 2021.

**Figure 3-1 – State of Delaware Continuum of Care’s Objectives towards Ending Homelessness**

1. Increase and enhance Case Management services.
2. Increase access to affordable housing.
3. Increase and enhance CMIS participation.
4. Shift shelters to being low barrier.
5. Re-evaluate and improve Centralized Intake.
6. Partner with other systems to prevent homelessness.
7. Explore ways to support households that do not meet HUD homeless criteria.
8. Begin diverting households from shelter.

Source: Delaware Continuum of Care (2017). *Ending Homelessness in Delaware*. Available at: [http://www.destatehousing.com/OtherPrograms/othermedia/h4g\\_action\\_plan\\_2017.pdf](http://www.destatehousing.com/OtherPrograms/othermedia/h4g_action_plan_2017.pdf)

This system-wide transformation has created some short-term upheaval that is described in this section. Key aspects of this upheaval are consistent with more longstanding objectives that were laid out in the Delaware CoC’s 2017 *Action Plan* for ending homelessness (Figure 3-1). While assessing the extent to which the Delaware CoC has reached these objectives is beyond the scope of this report, these objectives presage the challenges that we have identified in this section in conjunction with the provision of temporary housing. Specifically, this includes increasing and enhancing case management services (#1); access to affordable housing (#2); increasing and enhancing CMIS participation (#3); and Centralized Intake (#5).

There has also been a major diversion of households from shelter to temporary hotel and motel placements (#8), including the conversion of a large hotel into the Hope Center. This shift from ES and TH facilities to hotel and motel rooms yields public health benefits and is more desirable to many homeless families. This shift to non-congregate housing facilities is also consistent with recommendations put forth by advocacy organizations including the National Low Income Housing Coalition.<sup>34</sup> Furthermore, the Biden Administration has been supportive of such a shift and, in January 2021, issued an executive order whereupon the Federal Emergency Management Agency (FEMA) currently provides 100 percent cost reimbursement to local jurisdictions for non-congregate sheltering in hotels and motels across the country through January 2022, and retroactively to March, 2020 (see Section 5 of this report).

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<sup>34</sup> See Sarah Saadian, Noah Patton & Alayna Calabro (2021). *FEMA Non-Congregate Sheltering During the COVID-19 Pandemic*. Available at: <https://nlihc.org/sites/default/files/FEMA-Non-Congregate-Sheltering-During-the-COVID-19-Pandemic.pdf>

Despite all this, the state is looking to substantially scale back DSSC's hotel/motel voucher program. Doing this would reverse the systemic transformation of Delaware's temporary housing system where hotel and motel vouchers have become the primary source of temporary housing for homeless families. This puts the DSSC in a predicament where, as the primary provider of temporary housing to homeless families, if it scales voucher assistance back toward pre-pandemic levels, Delaware's ES and TH facilities will lack the capacity to absorb the increased demand. Added ES capacity from the Hope Center for approximately 100 families will ease this, but it would not be enough to offset substantial reductions in the 284 families to which DSSC was providing vouchers on an average night at the end of 2020. Adding to this, if currently unfolding rollbacks in eviction prevention measures lead to an influx of homeless families, a scenario which many housing experts have warned is imminent, then Delaware's temporary housing shortfall stands to become even more acute.

## Section 4 – Permanent Housing for Homeless Families

Addressing and ending family homelessness is impossible without the sufficient availability of affordable permanent housing. In contrast, interviews with temporary housing providers consistently pointed to the shortage of such housing as the primary barrier to families exiting the homeless services system. In this section we take a closer look at the major types of permanent housing that are available to families and the present Delaware-specific challenges endemic to each of these housing types in providing the means for exiting family homelessness.

### *4.1 – Private Market Housing*

Housing, almost always rental housing, that is available through the private market is the most expedient means whereby families can regain permanent housing and move out of homelessness. In this situation, families stay in temporary housing until they have saved or otherwise obtained the money needed for moving (rent, security deposit, etc.). If there is support available to assist with the costs of moving, then the homeless episode gets shortened. Family shelter providers nearly unanimously said that the unavailability of permanent, sustainable housing for clients is the most significant barrier to exiting the homeless system and the pandemic has made that difficult situation worse.

The lack of affordable rentals and shortage of housing subsidies is a national issue. As is the case in virtually the entire US, the amount of housing in Delaware that is available and affordable for families who are homeless, whose income usually falls substantially below the area median income, is far less than the need for such housing. The Housing Alliance Delaware (HAD) provides much more detail about this shortfall in their 2020 report *Housing and Homelessness in Delaware: A Crisis Laid Bare*, in which they state:

In Delaware there are only 36 affordable housing units available for every 100 renter households. More than 53,360 households experience severe housing problems due to the shortage of housing for all low-, very low-, and extremely-low income households.

The creation of affordable housing units has not kept pace with demand, and has been further stymied by COVID-19. Demand for affordable housing is likely to increase as the COVID-19 crisis reduces incomes and prohibits renters from transitioning to homeownership.<sup>35</sup>

As mentioned in Section 3, even when rentals are affordable to a family in the shelter system, often a number of barriers still exist to obtaining them. This means that navigation services, which provide homeless families support in obtaining housing, is a key service to facilitate exits from homelessness, even when families have the means to obtain and maintain housing.

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<sup>35</sup> *Housing and Homelessness in Delaware: A Crisis Laid Bare*, page 14. Report is available at: <https://www.housingalliance.org/housing-alliance-publications>.

For most families experiencing homelessness, without some means of rental or income assistance, they are unable to access housing on the private market. Disabilities, the need to provide care for children, and lack of job skills and access to reliable transportation are some common barriers among homeless families that keep them from being able to secure employment with a wage that is sufficient to afford market rate housing. Other sources of income such as child support or disability benefits are usually insufficient for covering rental payments and other household expenses.

With no options for obtaining housing on the private market and in the absence of rental or income assistance, homeless families will often exit temporary housing and move in with relatives or friends who are able to share their housing with the family. While “doubling up” is a common form of exit for families from homelessness, and for some may be a good and appropriate living situation, these arrangements can be tenuous as overcrowding and lack of resources can strain these living arrangements to where they are not sustainable. As a result, such “doubled up” situations are also common precursors to families looking to access temporary housing.

#### 4.2 – Rapid Rehousing (RRH)

RRH provides permanent housing, along with rental assistance and case management support for as long as two years, to homeless households (families and individuals). Such arrangements are ideal for households that have the promise of an ongoing income (e.g., wages or disability benefits) sufficient to cover housing costs. As such, it provides a powerful catalyst for moving households out of homelessness in an expedited manner.

RRH emerged as an approach to moving homeless households into permanent housing in the wake of the Great Recession in 2009. Delaware first reported its RRH capacity to the US Department of Housing and Urban Development (HUD) in its Housing Inventory Count (HIC) in 2014. Except for funding provided by a partnership through the Federal Home Loan Bank of Pittsburgh (FHLBank Pittsburgh) and the Delaware State Housing Authority (DSHA), called Home4Good,<sup>36</sup> all funding for RRH in Delaware originates from HUD and has been distributed through either the Delaware Continuum of Care (CoC), or through the State of Delaware, New Castle County, or the City of Wilmington.<sup>37</sup> Since the onset of the COVID-19 pandemic, HUD funding for RRH has increased substantially through supplemental HUD Emergency Solutions Grant (ESG) resources provided as part of the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act.

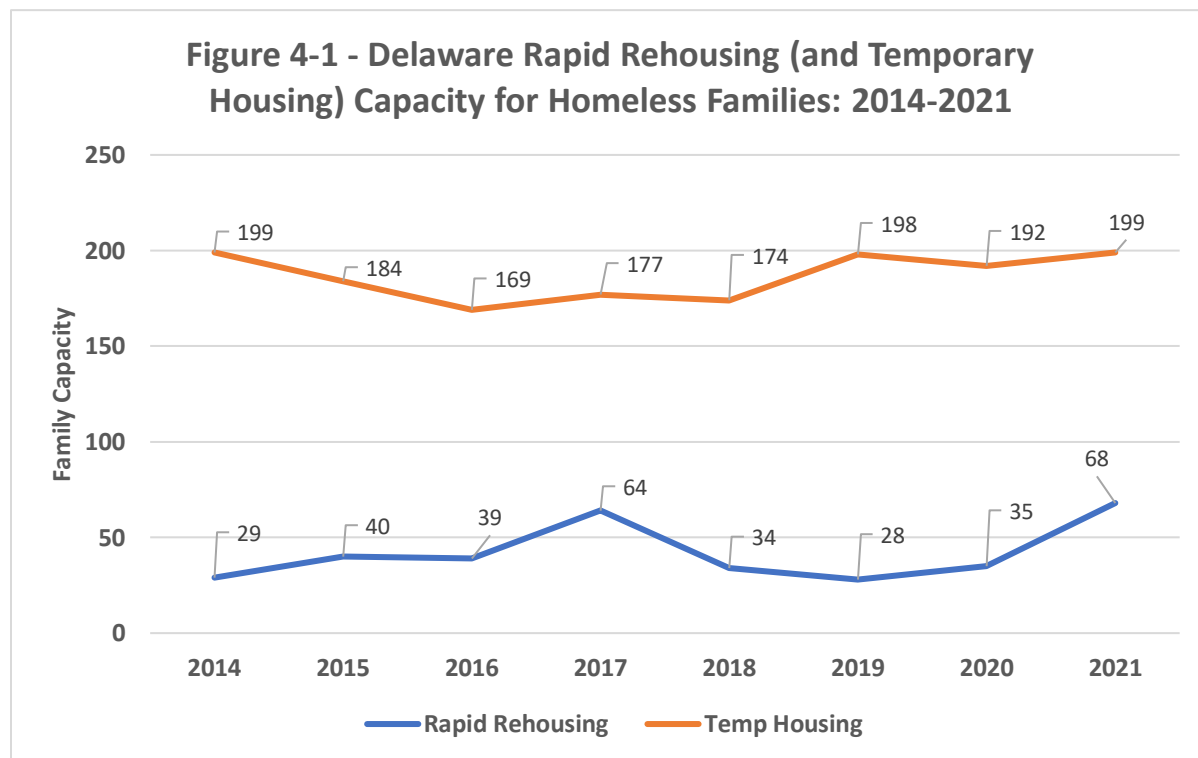
Referrals to ESG CARES-funded RRH programs are made through weekly meetings of the Family Homeless group, which is comprised of local government organizations which distribute the RRH funding and organizations that administer the RRH programs. The number of families referred for RRH in a particular month is determined by how many families RRH providers can take. Prior to CARES Act RRH funding, all referrals to RRH were managed through the CoC’s Centralized Intake (CI). These procedures

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<sup>36</sup> For more information on RRH funded through Home4Good, see FHLBank Pittsburgh’s URL: <https://www.fhlpgh.com/Story-Home4Good-Provides-Housing-Support-to-Delaware-Families>, and DSHA’s URL: [http://www.destatehousing.com/OtherPrograms/ot\\_h4g.php](http://www.destatehousing.com/OtherPrograms/ot_h4g.php).

<sup>37</sup> Housing Alliance Delaware (2021). *Rapid Re-Housing in Delaware: FY2020 Report*. <https://static1.squarespace.com/static/59ca9d72268b96cb977e74fd/t/60bfaef60336ac10dc2c8bea/1623174903013/FY20+RRH+Report.pdf>

have been relaxed in conjunction with CARES Act RRH assistance in recognition of the need for expedited placements. During the COVID-19 pandemic, a dual system of intake for RRH services has emerged. CI refers an average of 5 families per month, half as many as in 2019. In addition, Delaware’s Division of State Service Centers (DSSC) has directly referred families who have been staying in hotel/motel placements (see Section 3). SSC referrals have accounted for about 10 families per month during the COVID-19 pandemic.



Source: Housing Alliance Delaware HIC reports to HUD; capacity includes domestic violence units (not covered in Section 3). 2020 count represents pre-COVID-19 capacity.

Referred families subsequently enter into an RRH program administered by a provider organization, but there is often a lag between entering a RRH program and actually exiting homelessness to housing supported by the RRH program. In other words, part of RRH program participation is preparing for and waiting for a housing placement. Those RRH families placed in housing are considered permanently housed, while those waiting to exit to housing are still considered homeless. A 2021 HAD report on RRH in Delaware showed that, on average, it took 61 days for an RRH household (family or single adult) to move from homelessness into housing after enrollment in an RRH program.

Figure 4-1 shows the number of families in Delaware permanently housed under the auspices of RRH, reported annually since 2014 in HUD’s Housing Inventory Count (HIC). Except for a one-year spike in 2017, the number of families housed in RRH has remained steady, averaging 38.4 units per year up to 2020 (i.e., pre-COVID-19), and then rising to a high of 68 units in 2021. The annual capacity of temporary housing for families (see Section 3, not including hotel/motel vouchers) is also shown in Figure 4-1.



Comparing the temporary housing capacity to RRH in the pre-COVID-19 period shows that, on average, there was a ratio of 4.8 temporary housing units for each RRH unit. That ratio dropped to 2.9:1 in 2021. Among the 33-unit increase in RRH capacity for Delaware families that was reported in 2021, funding for 27 of these units came from newly available CARES Act funding.

**Table 4-1 – Organizations that provided Rapid Rehousing Services to Families: 2020 & 2021**

Project Name	2020	2021
Catholic Charities	3	22
Child Inc (Domestic Violence)	0	3
Connections (Veterans)	3	0
Family Promise	20	24
Ministry of Caring	1	5
People's Place II	1	0
YWCA	7	14
Total	35	68

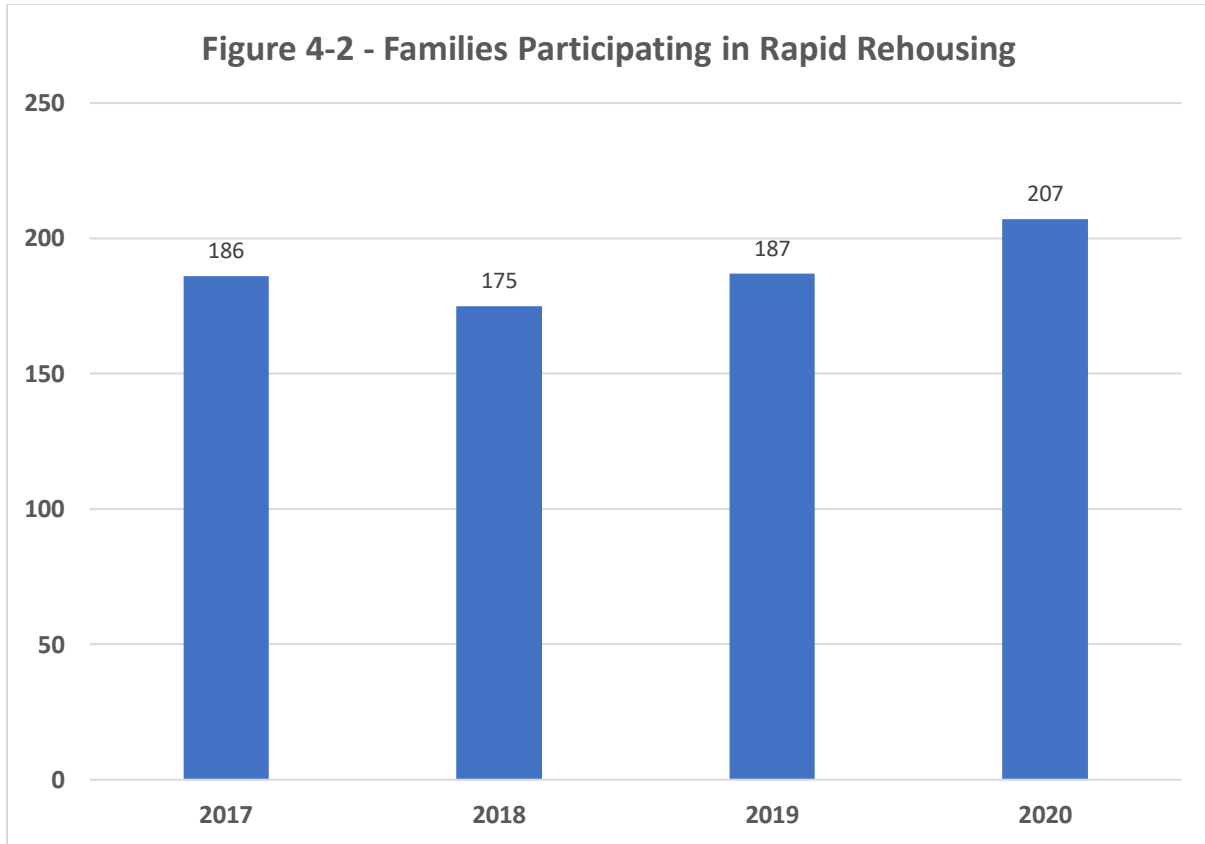
Table 4-1 shows that, based on the two most recent HIC reports, there have been seven organizations that have provided RRH services to families. Five of these organizations also provided temporary housing services (covered in Section 3), the other two either provided RRH services to homeless veterans (Connections) or to families displaced by domestic violence (Child Inc.). Three providers: Catholic Charities, Family Promise, and YWCA, provided 60 of the 68 total RRH housing units (88 percent) reported in 2021.

There are many more families that participate in RRH over a given period of time but who have not received a permanent housing placement. These families are not included in either Figure 4-1 or Table 4-1. As of July 2021, HAD reported that on a given night there were 125 households receiving assistance from CARES funded RRH programs, but only 22 (18 percent) had moved into permanent housing.<sup>38</sup> In addition, HAD reported that there were 103 additional families that were enrolled in an RRH program that were not yet housed. This means that, as of the writing of this report, on a given night the large majority of families participating in RRH programming (82 percent) remain homeless, often in shelters or in vouchered hotels and motels, while they are awaiting housing placement.

Figure 4-2 shows the annual prevalence of families recorded as receiving RRH services, based upon data compiled in the CoC's Community Management Information System (CMIS). Eighty-two percent of these families (n=170) received RRH services from the three providers mentioned earlier as providing the large majority of Delaware's family RRH services. The figure does not indicate a substantial increase in families enrolled in RRH services as may have been expected in the wake of the CARES Act assistance being

<sup>38</sup> This information was provided by HAD for this report. The inconsistency between HAD reporting 22 families on a given night and the capacity number (from the HIC report) of 68 families reflects the differences between the actual one-night count of housed RRH families and the capacity of providers to provide housing to RRH families, a capacity that is not fully realized on any given night.

available, however the CARES Act RRH programming did not begin until October 2020. While limitations of the CMIS data precludes ascertaining the proportion of these families receiving housing, comparing this table with the RRH capacity in Figure 4-1 indicates, again, that most of the families that are in RRH programming at a given time are in temporary housing and thus homeless.



RRH providers universally described the competitiveness of local rental markets as the primary challenge to getting RRH families into permanent housing. Prior to COVID-19, rental assistance resources were typically sufficient for covering a participating families rent for six months to one year, and were capped at fair market rent values. Most RRH providers were allocated between \$3700 and \$7500 per family. Those that were interviewed noted that this amount is usually only sufficient to cover security deposit, moving costs, and up to a few months' rent. This results in a short time frame for a family to get to a point where it can independently cover housing costs. They also mentioned that caseworkers sometimes face the dilemma of whether to place a family in a unit that they are unlikely to be able to afford after RRH assistance ends, as opposed to keeping a family in temporary housing. Landlords have been hesitant to accept families that are unlikely to be able to afford their rent without RRH (although one shelter provider noted some landlords prefer making short-term rental arrangements in conjunction with RRH). Additionally, poor rental histories, credit scores and stigma were also consistently reported as barriers to moving families into housing under RRH.

The Delaware CoC has subsequently changed RRH standards to increase the assistance caps and thereby allow rental support to be provided for as long as two years. However, rental providers also see measures taken in response to COVID-19 as contributing to a more competitive rental market for families in RRH programs. In response to the rental market challenges, the organizations that provide RRH services have caseworkers who actively assist RRH families in locating housing, and seek to establish and maintain relationships with landlords who are amenable to working with RRH providers and families. For several providers, caseworkers that worked with families in emergency shelter and transitional housing took more RRH families onto their caseload as the demand for temporary housing declined amidst COVID-19 restrictions.

An additional matter of concern among some shelter providers was the Housing First<sup>39</sup> approach to RRH. The CoC is committed to having housing services be consistent with Housing First precepts, which requires, at a minimum, monthly meetings between caseworkers and client families, but also generally holds that services provided by RRH caseworkers be at the behest of the recipient families and not be mandatory or otherwise tied in with receipt of housing assistance. One provider remarked that they are required to provide the rent assistance first and that compliance with case management was secondary and optional for the family. This leads some families to accept Rapid Rehousing assistance and then drop out of compliance with the rest of the provider's program. Other providers suggested similar experiences of families "dropping off their radar" after being placed in housing – treating the program as simply short-term rent assistance. Several shelters noted that such assistance does not effectively address conditions underlying family homelessness – specifically poor employment prospects, behavioral health problems, and lack of job skills. Housing First is being applied in a literal sense, but providers often expressed that they are not always able to effectively provide the appropriate support services that are recommended for a housing first model.

Despite these concerns, CMIS data indicates that the large majority of families placed in RRH do not return to homelessness. While there is no direct data on the housing outcomes of families following RRH participation, HUD's FY21 System Performance Report to HUD stated that "For households [families and individuals] that exited from Rapid Re-Housing (RRH) or Permanent Supportive Housing to a permanent housing destination, 16% returned to homelessness within 2 years."<sup>40</sup>

As shelter capacity has declined during COVID, RRH programs have been expanded to divert families away from temporary housing. While the statewide RRH capacity has increased, due largely to increased funding available for RRH, the available evidence suggests that there has not yet been a corresponding increase in the proportion of RRH-assisted families placed into housing. In other words, increased attention on transforming available RRH resources into more permanent housing placements currently represents a promising means by which to increase the scale whereby families can exit homelessness.

#### 4.3 – Subsidized Housing (federally funded)

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<sup>39</sup> For an more detailed overview of Housing First, see the National Alliance to End Homelessness fact sheet "Housing First," available at <https://endhomelessness.org/resource/housing-first/>.

<sup>40</sup> Housing Alliance Delaware (2021). *Delaware Continuum of Care FY20 System Performance Report: October 1, 2019 - September 30, 2020*. Provided by author.

Delaware has five public housing authorities: one for Sussex and Kent Counties (Delaware State Housing Authority or DSHA); one for its largest county (New Castle County Housing Authority or NCCHA); and one each for its three largest cities (Wilmington, Newark and Dover housing authorities). Each of these authorities manages a portfolio of public housing (except NCCHA) as well as Housing Choice Vouchers (HCV, also known as Section 8). All of these authorities have their housing units fully leased up, most often with long waiting lists of households who are looking to live in one of their units. DSHA, for example, stated in 2019 that over 10,000 families are on their waiting list for 405 public housing units and 782 HCVs.<sup>41</sup> Statewide, for those who received HCVs the average wait to get such a voucher was 30 months.<sup>42</sup> Such a situation is not unique to Delaware, as nationwide only 25 percent of families that qualify for subsidized housing assistance actually receive it.<sup>43</sup>

With this scarcity of subsidized housing, very few families exit homelessness to public housing or with HCVs, and temporary housing providers do not rely on the housing authorities as resources to house families that stay with them. One shelter administrator that was interviewed stated, for example, that a shelter resident getting an HCV would be “a miracle”.

There is currently a one-time influx of federal housing vouchers through the American Rescue Plan Act, referred to as emergency housing vouchers (EHV), that are similar in structure to HCV’s but are earmarked specifically for homeless households. Delaware has been allocated 120 EHV’s (Wilmington Housing Authority 43, NCCHA 39, DSHA 38). They will be administered in a coordinated fashion through the CI, with priority for receiving them going to households that are participating in RRH programming as a means to get them into housing more quickly. This should have a noticeable, albeit time-limited impact on the number of families that exit from homelessness.

The Biden Administration has also proposed, in its discretionary funding request for the FY22 federal budget, allocating \$30.4 billion for EHV’s. This would be enough to expand housing assistance to an additional 200,000 households nationwide. While the fate of this request is uncertain, it reflects the prospect of a systematic expansion of subsidized housing vouchers that would have a lasting impact on facilitating and increasing the number of exits from homelessness that currently does not exist in Delaware in conjunction with federal subsidized housing programming.<sup>44</sup>

#### 4.4 – Subsidized Housing (State Rental Assistance Program)

On a state level, DSHA administers a subsidized housing program, the State Rental Assistance Program (SRAP), which it describes as:

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<sup>41</sup> Delaware State Housing Authority (2019). *Delaware FY2019 CAPER*. Available at: <http://www.destatehousing.com/FormsAndInformation/capers.php>

<sup>42</sup> Center on Budget and Policy Priorities (2021). *Families Wait Years for Housing Vouchers Due to Inadequate Funding*.” Available at: <https://www.cbpp.org/research/housing/families-wait-years-for-housing-vouchers-due-to-inadequate-funding>

<sup>43</sup> Center on Budget and Policy Priorities (2021). “Three in Four Low-Income At-Risk Renters Do Not Receive Federal Rental Assistance.” Available at: <https://www.cbpp.org/research/housing/three-out-of-four-low-income-at-risk-renters-do-not-receive-federal-rental-assistance>

<sup>44</sup> See the National Alliance to End Homelessness’s legislative brief: “Housing Choice Vouchers, FY22 Funding” available at: <https://endhomelessness.org/legislation/fy-2021-appropriations-for-hud-funding/>

A partnership between DSHA and several other state agencies, the State Rental Assistance Program (SRAP) provides tenant-based rental assistance to people with very low incomes who may need supportive services and rental assistance to live safely and independently in the community. The SRAP program is a vital part of Delaware's strategies to help people who are at high risk for homelessness or institutionalization make the transition to permanent housing and independent living, avoid becoming homeless or institutionalized, and address the housing and supportive services needs of people who are not homeless but have other special needs.

[SRAP] provides rental assistance to people with disabilities, youth exiting foster care, and families for whom affordable housing is a barrier to reunification, as well as other populations under various special initiatives. Approximately 700 households are receiving SRAP assistance.<sup>45</sup>

SRAP participants pay housing costs based upon their income. Families are eligible for SRAP assistance by virtue of either working on family unification in conjunction with Delaware Department of Services for Children, Youth and their Families (DSCYF), or by school district referral to the HomeWorks program when a student is identified as homeless or at imminent risk of becoming homeless. SRAP is usually coupled with services for families either through DSCYF or through HomeWorks providers.

In fiscal year 2020, SRAP was funded through \$3 million (for approximately 450-500 vouchers) from a Delaware General Assembly allocation and an additional \$3.6 million (for another 400 vouchers) from the State's Division of Substance Abuse and Mental Health.<sup>46</sup> State policy has been to limit SRAP to very specific populations. However, there is also an inherent potential to work within the context of state-level government to expand the eligible populations (and thereby expand SRAP) that is much more feasible than expanding housing subsidy programs on a federal level.

#### 4.5 – Permanent Supportive Housing

Permanent supportive housing (PSH) combines housing with an ongoing rental subsidy and supportive services available to help tenants maintain their housing and address social service, healthcare and behavioral health needs. Many PSH programs follow a housing first model that provides people with direct placement into housing and does not require that they accept the services or treatment that may be offered. Numerous studies have documented the effectiveness of PSH and the housing first approach in successfully engaging high-needs people experiencing homelessness, placing them in housing, and preventing them from returning to homelessness. In addition, several studies have found that the costs of supportive housing are offset substantially by reductions in homeless services, inpatient hospitalization, and criminal justice costs.<sup>47</sup> The rental subsidy provided as part of PSH is permanent in

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<sup>45</sup> Delaware State Housing Authority (2019). *Delaware FY2019 CAPER*, page 1 (first paragraph) and page 19 (second paragraph). Available at: <http://www.destatehousing.com/FormsAndInformation/capers.php>

<sup>46</sup> Corporation for Supportive Housing (2021). Delaware State Rental Assistance Program Overview. Provided by author.

<sup>47</sup> Substance Abuse and Mental Health Services Administration. *Permanent Supportive Housing Evidence-Based Practices*. <https://store.samhsa.gov/product/Permanent-Supportive-Housing-Evidence-Based-Practices-EBP-KIT/SMA10-4510>; Seattle University School of Law Homeless Rights Advocacy Project (2018). The Effectiveness of

the sense that it is available to tenants until they choose to move out or are unable to maintain their lease. The studies of supportive housing have had limited ability to disentangle the effect of the “permanence” of supportive housing from the effect of the available services, but they have found positive results from the package of housing and services.

PSH is typically targeted at hard to serve subgroups in the homeless population, which includes people designated as “chronically homeless,”<sup>48</sup> and those with disabilities and behavioral health conditions. As such, PSH is generally, and disproportionately, developed for single adults, who have much higher rates of disability compared to homeless families. Many families, however, would also make good candidates for PSH.<sup>49</sup>

In Delaware, of the 506 PSH units for homeless households listed in the 2020 HIC, only 64 units (13 percent) are designated for families. One provider organization, Connections Community Support Programs, managed all but 7 of these family PSH units and was the predominant provider of all homeless-related PSH in Delaware. Following a bankruptcy filing in 2021, Connections Community Support Programs has recently been acquired by Conexio Care, Inc., an affiliate of Inperium, Inc., and still faces substantial instability stemming from pending federal charges of Medicare fraud.<sup>50</sup> This creates some concern about the paucity of providers beyond Conexio. Both state officials and HAD staff noted the difficulty they had experienced with recruiting other providers to develop and manage additional PSH units in Delaware despite resources available to support new PSH initiatives.

PSH is expensive to develop (if it involves construction of new housing) and to deliver, but numerous studies have demonstrated that there can be substantial cost offsets across other systems related to reductions in collateral services, especially among households whose substantial use of healthcare, behavioral health, child welfare and criminal justice systems get exacerbated by their unstable housing. Were additional PSH available for families, this could be a unique exit pathway for families who are the most difficult to otherwise house and who make disproportionate demands upon homeless services and related systems.

#### 4.6 – Conclusion

Delaware, like many states, faces a severe shortage of affordable housing for lower income households, a problem which gets reflected in the difficulties that homeless families face in exiting homelessness. As a result of this, most homeless families face the situation where they lack the means to independently

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Housing First & Permanent Supportive Housing. <https://law.seattleu.edu/Documents/korematsu/HRAP-Excerpts-of-Studies-on-Housing-First-Permanent-Supportive-Housing.pdf>.

<sup>48</sup> For more details on what constitutes chronic homelessness, see the resources on the HUD website “Chronic Homelessness” at <https://www.hudexchange.info/homelessness-assistance/resources-for-chronic-homelessness/>.

<sup>49</sup> Corporation for Supportive Housing and the National Center of Family Homeless (2006). The Role of Permanent Supportive Housing in Addressing Family Homelessness.” Available at: [https://www.csh.org/wp-content/uploads/2011/12/Report\\_pshfamhomeless.pdf](https://www.csh.org/wp-content/uploads/2011/12/Report_pshfamhomeless.pdf)

<sup>50</sup> We have edited these two sentences: “One provider organization, Connections, managed all but 7 of these family PSH units. Connections, the predominant provider of all homeless-related PSH in Delaware, has recently emerged from bankruptcy renamed as Conexio, and still faces substantial instability stemming from pending federal charges of Medicare fraud” for this revised report to clarify the nomenclature of the organizations involved in the bankruptcy proceedings mentioned here.

afford housing on the private market, and subsidized housing is extremely scarce. This leaves even comparatively well-resourced programs such as RRH facing difficulties in returning families to permanent housing. It also highlights a desperate need, either on the federal or state levels, to increase funding for housing subsidy programs such as HCVs (federal) or SRAP (state). Finally, at least one other proven housing intervention, PSH, is an underutilized approach in Delaware, especially for homeless families.

More effective uses of available resources coupled with sustained increases in housing assistance can be instrumental in unclogging the back door of the homeless services system through which families exit homelessness to permanent housing. The process that is set up, whereby exits to housing through RRH are currently being coupled with the newly available EHVs, is an example of this. While this approach is limited by the still finite nature of available housing resources, it does provide a launching point for reducing the number of homeless families in Delaware.

## **Section 5 – Federal Homelessness and Housing Assistance Implemented in Response to the COVID-19 Pandemic**

The Congress has passed several spending laws intended to soften the economic impact of the pandemic, including resources specifically intended to mitigate homelessness. The CARES Act, passed in March 2020, included \$4 billion for direct homelessness assistance. The Year-End COVID Relief Deal of December 2020 included Emergency Rental Assistance of \$25 billion. And the American Rescue Plan (ARP) Act passed in March 2021 included spending increases for both homelessness assistance (\$6 billion) and rental assistance (\$21 billion).

Together this assistance stands to have a significant impact on mitigating housing instability and homelessness. However, with the uncertain fate, at the time of this writing, of the federal eviction moratorium, and for the Division of State Service Center’s expanded provision of hotel and motel vouchers, homelessness and housing instability could increase, even exceeding the reach of the new federal resources. In this section, we highlight some of the opportunities presented by the federal resources that the state and local governments of Delaware could leverage to reduce the threat of increased homelessness.

### *5.1 – Rapid Rehousing (RRH) Assistance*

Family homelessness in the United States has been trending downward nationally since 2010. The downward trend is attributable to two important policy shifts made law by the HEARTH Act of 2009. First, due to the high cost and poor outcomes, the US Department of Housing and Urban Development (HUD) discouraged communities from funding Transitional Housing for families in its annual funding competition. This led to the reclassification of many facilities from transitional housing to emergency shelters, and an emphasis on the shorter stays typical of “emergency” facilities (60-90 days), over transitional programs (expected stays of 6 months to two years). This policy shift was accompanied by a complementary shift in HUD’s prioritization of RRH programs, both in the annual McKinney-Vento funding competition, and in a newly rebranded program, “the Emergency Solutions Grant” (ESG) program. Together, the funding for Rapid Rehousing both in the annual competition and within the ESG program led to a substantial increase in funds to help move families and individuals out of shelters more quickly and into permanent housing. The combined result of these policy changes has been a nearly 1/3 decline in the number of homeless families on a given day observed in the annual PIT count.<sup>51</sup>

The CARES Act included a tremendous increase in funding for homelessness assistance through the ESG program vehicle, dubbed ESG-CV. Whereas the ESG funding for Delaware in FY 19 was \$595,000, the ESG-CV allocation for Delaware was \$2.3 million. The funding is available to be spent through September 2022. Communities have significant flexibility with how the funds can be administered, but it is intended to be used primarily for the rapid rehousing of currently homeless households, and secondarily on

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<sup>51</sup> For a systematic review of RRH, see Thomas Byrne, Minda Huang, Richard E. Nelson & Jack Tsai (2021). “Rapid rehousing for persons experiencing homelessness: a systematic review of the evidence.” *Housing Studies*. DOI: 10.1080/02673037.2021.1900547.



prevention services. The ability to spend funds through September 2022 has also made it possible to commit to leases of a year or more, increasing the acceptability of the program to landlords.<sup>52</sup>

In Delaware, the recent sharp increase in family homelessness coming at the time during which the RRH resources effectively quadrupled is surprising. Exit opportunities should have greatly increased due to the availability of funds, resulting in a reduced census. That the opposite occurred indicates that the increase in available funding for RRH programs has not translated into an increase in actual RRH capacity. Additionally, much of the federal funding available for RRH has yet to be drawn down by Delaware RRH contractors. This all suggests that RRH services in Delaware have not expanded on a scale commensurate with the growth in available RRH resources.

### 5.2 – Non-congregate housing (permanent and temporary)

Beyond ESG-CV, \$5 billion in homeless assistance is now available for homeless households in the ARP Act passed in early 2021. This funding is administered through HUD’s HOME Investment Partnerships Program (HOME-ARP), which provides grants to state and local governments to create affordable housing for low-income households.<sup>53</sup> Delaware received \$11.09 million in its allocation in June, which is intended to target homeless households and households at risk of homelessness. (To place this in perspective, Delaware’s allocation of HUD Homelessness Assistance in 2020 was \$8.44 million.) The bulk of the funding is intended to mitigate homelessness which “can [be] use[d] to provide rental assistance, develop affordable rental housing, and acquire and develop structures (such as hotels and dormitories) for use as noncongregate shelter.”<sup>54</sup> This includes paying continuing rental assistance for households whose assistance from ESG-CV-funded RRH expires or will expire in September 2022.

While augmented rental assistance will benefit efforts to move families out of homelessness, HOME-ARP funds provide additional opportunities to address family homelessness through funding hotel and motel acquisitions, and conversion of hotels and motels to temporary and permanent housing. This provides an opportunity for Delaware to expand its temporary and permanent housing facilities and provide larger numbers of homeless households with non-congregate accommodations.

One major initiative in this direction has already occurred when, in November 2020, New Castle County used CARES Act funding to convert a vacant hotel into the Hope Center, which currently uses 190 former hotel rooms to provide emergency housing to both homeless families and individuals. While there has been mention of eventually converting this facility into permanent supportive housing, to date there is no specific plan or timeline to do so.

The HOPE Center conversion (described in Section 3) serves as the prototype for undertaking additional hotel-motel conversions in Delaware, with HOME-ARP funding providing the opportunity to purchase additional facilities. The need for both temporary and permanent non-congregate housing facilities to

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<sup>52</sup> A summary of ESG-CV funding is available from the National Alliance to End Homelessness (2020). COVID-19 Federal Resource Guideline Series: CARES Act Emergency Solution Grants (ESG). Available at: <https://endhomelessness.org/wp-content/uploads/2020/05/ESG-one-pager.pdf>

<sup>53</sup> HUD provides an overview of HOME-ARP on its URL: <https://www.hudexchange.info/programs/home-arp/>.

<sup>54</sup> See Aaron Shroyer, William Snow & Richard Cho (2021). American Rescue Plan Resources Could Help House Hundreds of Thousands of Households Experiencing Homelessness. PDR Edge (June 7), US Department of Housing & Urban Development. Available at: <https://www.huduser.gov/portal/pdredge/pdr-edge-trending-060721.html>

accommodate homeless families is urgent. With regards to temporary housing, the need for such conversion projects is most acute in Sussex and Kent counties (the two more southern of Delaware's three counties). Kent and Sussex counties combined have a much smaller supply of temporary housing facilities (see Section 2), such that DSSC reports a majority of the families it serves in its statewide emergency housing (hotel and motel voucher) program come from Kent and Sussex Counties. This leaves homeless families in these two counties particularly vulnerable to cutbacks in DSSC's hotel/motel voucher program.

There are currently two proposals that have been put forth by Delaware non-profit organizations that seek to establish temporary housing for families in Sussex County. One is by Springboard Collaborative, which seeks to build and maintain an "interim village" of individual household-sized pallet shelters in partnership with a Sussex County church.<sup>55</sup> The second, by Love INC of Mid-Delmarva, seeks to convert a former state police barracks, which is currently being used as an overnight winter shelter, into an emergency shelter and transitional housing facility that offers both congregate and non-congregate temporary housing.<sup>56</sup> Neither of these organizations is proposing to repurpose hotel or motel facilities, nor are either pursuing HOME-ARP funding, as part of their respective initiatives.

While there is a clear need for additional temporary housing facilities for families in Delaware, HOME-ARP funding can also be used for converting hotel and motel facilities into permanent housing. Such conversion efforts represent a means to develop much-needed permanent housing for families experiencing homelessness. There are, however, no current initiatives that we are aware of that seek to undertake such a conversion using HOME-ARP funding. Judging by the current state of permanent supportive housing development in Delaware (covered in Section 4), Delaware currently lacks organizational capacity to take advantage of the funding for such hotel and motel conversions.

### 5.3 – Emergency Housing Vouchers (EHV)

As mentioned in Section 4, the ARP Act also set aside \$5 billion towards a one-time allocation of housing choice vouchers to families and individuals experiencing homelessness. As part of this, Delaware was awarded 120 of these vouchers. The vouchers are prioritized for homeless individuals and families, and people at risk of homelessness due to domestic violence, and sex-trafficking. The vouchers are currently characterized as "single use," meaning that once assigned to a household, the voucher will expire (not be renewed) when that household stops using the voucher.

Delaware's Continuum of Care (CoC) has partnered with local housing authorities to allocate their allotment of EHV's through the CoC's Centralized Intake (CI) system. In the plan currently being implemented, households referred for EHV's would be either already participating in a RRH program or be given an EHV referral in conjunction with their referral to a RRH program. The rationale for this is that RRH provides a framework upon which to organize services such as housing navigation, move-in assistance, and housing stabilization services to EHV recipient households. Such a services structure is

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<sup>55</sup> More information is on the Springboard Collaborative's website: <https://www.the-springboard.org>.

<sup>56</sup> See Love INC's website at: <http://www.loveincde.org/> and Ron McArthur (2020). "Effort underway to secure vacated Troop 7 as shelter again," *Cape May Gazette* (November 13), <https://www.capegazette.com/article/effort-underway-secure-vacated-troop-7-shelter-again/211156>.

currently not available for targeting households designated as chronically homeless or who otherwise have extended histories of homelessness and other barriers to obtaining and maintaining housing.

The Delaware CoC's proposed allocation process is inconsistent with recommendations from organizations such as the National Alliance to End Homelessness. Given the limited number of EHV's allocated to CoC's (compared to the need), NAEH urges CoCs to prioritize households for receiving EHV's in a manner that "will have the greatest impact on the number of people experiencing homelessness and reduce racial inequities." Doing this most effectively means targeting those with the longest durations of homelessness and who would face the greatest challenges to exiting homelessness on their own. Such a prioritization for EHV's, in making the largest impact toward reducing the homeless population, would also go the farthest in easing the demands made upon homeless services providers.<sup>57</sup>

Delaware's CoC has chosen to go ahead with its plan for EHV allocation, despite it running counter to these recommendations. The rationale for this is that the RRH services structure is the only mechanism in the state with the capability for placing eligible homeless households into permanent housing, and providing the related support services, on the scale needed for allocating the EHV's in an expedient manner. Otherwise, there is currently no organizational structure for providing the necessary street outreach, housing navigation, and housing stabilization supports that are prerequisite to lease up and house long-term homeless households using EHV's.

Seen in this light, when permanent housing resources such as EHV's become available, limitations within the system become manifest. In this case, the most feasible means through which to allocate EHV's is one in which they are unlikely to have the maximal intended effect.

Nonetheless, even within the decision to pair EHV's with RRH participation, there are enough families and potential referrals so that priority can be given to those families whose exit would have heightened impact on the shelter system. The CoC guidelines for allocating EHV's outline measures that would prioritize families (and individuals) who have been homeless for extended periods of time or who have shown difficulty in exiting to permanent housing. Such families are less likely to exit homelessness on their own. Conversely, lower priority is given to providing EHV's to family (or individual) households that participate in RRH who have already received housing, or who have been assessed as being more likely to exit homelessness on their own accord. These prioritization measures are designed to lessen instances in which providing EHV's either (in the former case) would not reduce the overall homeless population at all (by virtue of their being housed), or (in the latter case) would provide permanent housing assistance to a household where a more time-limited form of housing assistance would suffice.

#### 5.4 – Federal Emergency Management Agency (FEMA) Aid and Hotel Voucher Assistance

Given the need to exercise social distance practices in response to the COVID-19 pandemic, and the inherent difficulties of social distancing in an unsheltered or congregate setting, Delaware (like many other states) set up a process in which homeless households, especially those who either contracted COVID-19 or who were at increased risk for COVID-19, received vouchers that paid for them to stay in

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<sup>57</sup> National Alliance to End Homelessness (2021). "Prioritizing people for emergency housing vouchers." Available at [https://endhomelessness.org/wp-content/uploads/2021/07/StatementonEHVPrioritization\\_FINAL\\_7-8-21.pdf](https://endhomelessness.org/wp-content/uploads/2021/07/StatementonEHVPrioritization_FINAL_7-8-21.pdf).

hotels and motels. As mentioned in Section 2, this program grew to where, by the end of 2020, DSSC was providing hotel vouchers for 284 families (along with additional non-family households) on an average night, which exceeded the combined number of families housed by the remainder of the temporary housing provider organizations. State funding initially paid for DSSC to administer this program, and federal CARES Act funding made available through the Community Development Block Grant mechanism eventually supplanted state funding.

FEMA's public assistance program (FEMA-PA)<sup>58</sup> is the primary source for federal funds to support the public costs associated with hotel and motel vouchers. Under FEMA-PA, costs associated with providing non-congregate (i.e., hotel and motel) accommodations for homeless families and individuals who needed to quarantine or isolate due to COVID-19, or who were at elevated risk for contracting COVID-19, were 75 percent reimbursable. In January 2021, the Biden administration expanded FEMA reimbursements to cover 100 percent of these costs. Expenses that are eligible for reimbursement are retroactive to March 2020 and extends through January 2022.

While various states and localities have funded considerable portions of programs that provide temporary housing for homeless households in hotels and motels, many other jurisdictions are reluctant to apply for such reimbursement due to a difficult application process, unclear rules on what constitutes eligible expenses, and inconsistent awarding of assistance. Programs with success in receiving FEMA-PA reimbursements are often those who are committed to providing non-congregate temporary housing, regardless of available funding, and who are persistent in pursuing the reimbursements. Additionally, FEMA-PA reimbursements only apply to lodging costs, and do not cover case management and other support services.<sup>59</sup>

DSSC officials state that they, in conjunction with the Delaware Emergency Management Agency, has applied for FEMA reimbursement, but they have not stated whether or not they have received reimbursement or plan to apply for additional FEMA reimbursement, which would represent a potential means to continue funding motel and hotel stays for homeless families.

### 5.5 – Federal Emergency Rental Assistance (ERA) Funding

Both the Year-End Covid Relief Act of 2020 and the ARP Act of 2021 included funds for emergency rental assistance. Some 20 million households in the US are estimated to be in rent arrears due to the pandemic, and the Congress through these two acts authorized \$46 billion in spending on rental assistance. Delaware received a combined \$352 million from these two programs, known as ERA 1 and ERA 2, on top of \$40 million in CARES Act rental assistance, for a grand total of \$392 million. Funding from these programs can be spent on rental assistance for homeless households, including homeless households who received ESG-CV assistance, and need ongoing rental assistance to maintain their housing. Thus, should households receiving ESG-CV funding have continued unmet housing costs after

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<sup>58</sup> See Congressional Research Service (2021). "A Brief Overview of FEMA's Public Assistance Program." Available at: <https://crsreports.congress.gov/product/pdf/IF/IF11529>.

<sup>59</sup> See Nicholas Slayton (2021). "FEMA Offers Full Reimbursement for Pandemic Shelter Costs—But Cities Are Still Jittery." *Shelterforce* (May 7). Available at: <https://shelterforce.org/2021/05/07/fema-offers-full-reimbursement-for-pandemic-shelter-costs-but-cities-are-still-jittery/>

current assistance, or as a result of the September 2022 expiration, ERA funding could be tapped to pay for rental assistance.

However, the primary benefit and intended use of the ERA funding is to prevent homelessness over the next 2.5 years by assisting households with rent arrears and to prevent evictions. As such, this funding has the potential to keep families in housing when they otherwise would have become homeless, or to extend homeless assistance to permit families to stay in permanent housing arrangements and avoid returns to homelessness. While there is no indication that Delaware has yet experienced an increase in the number of families becoming homeless (as opposed to the increase in the lengths of time that families stay homeless), measures such as ERA that help to ward off homelessness for families in need of housing assistance will ease the demand for homeless services.

### 5.6 – Conclusion

The federal response to economic and related fallout from the COVID-19 pandemic has included an unprecedented level of assistance for funding initiatives to address homelessness. This assistance promises to fortify existing homeless assistance programs and enable new projects that go beyond what homeless services providers have traditionally envisioned as being feasible. Several of these initiatives provide resources that could reduce the unprecedented numbers of homeless families currently in temporary housing in Delaware. The most prominent of these initiatives include expanding RRH, developing hotels and motels into permanent and temporary housing facilities, allocating newly available housing vouchers, maintaining temporary hotel and motel placements, and providing emergency rental assistance.

The availability of these federal resources also highlights gaps in Delaware's homeless services system that impair the ability of services providers to maximize the impact of this federal assistance on reducing homelessness. Thus, the challenge of allocating these newly available resources in a way that best fits the context of homelessness in Delaware is made more formidable by the need to bolster, and at times to create, key sectors of the homeless services system so that they are able to effectively use these resources.

## Section 6 – Summary & Recommendations

2020 and 2021 both saw substantial increases in the number of homeless families in Delaware. Further examination of this trend shows that the increases were primarily due to families, once they became homeless, taking longer to exit temporary housing facilities and to obtain stable housing. While the onset of this trend preceded the COVID-19 pandemic, responses to the pandemic brought about a systemic transformation. Specifically, state-issued vouchers for non-congregate (hotel and motel) accommodations overtook a contracting supply of emergency shelter and transitional housing beds and became the primary mode of providing temporary housing for homeless families. Beyond these changes in temporary housing capacity, there has also been no source of affordable or subsidized housing large enough to make any substantial impact on the number of homeless families. Like a bathtub with a slow drain, the temporary housing for homeless families is filling up.

While federal COVID-19 relief provides funding on a scale to where it can facilitate reductions in the number of Delaware's homeless families, structural deficiencies in the delivery of homeless services impedes using federal assistance to its maximum impact. This inability to effectively implement these available resources will become even more glaring if current predictions of increases in levels of households becoming newly homeless come into fruition.

### 6.1 – Recommendations

Based upon this assessment, we conclude by offering a set of recommendations.

#### *Recommendation #1: Perform a thorough assessment of Delaware's Rapid Rehousing (RRH) programming with the objective of increasing family placements into permanent housing*

RRH is the single most promising resource for moving families out of homelessness. Multiple organizations provide RRH services, and RRH is currently the most amply funded homeless service given the current influx of federal CARES and ARP Act funding. However, based upon the RRH data available for this report, Delaware's RRH programs are collectively underperforming and not accessing available resources in terms of moving families (and individual households) into permanent housing. We recommend a timely and thorough review of RRH services structured upon basic questions such as (but not limited to):

- Are there sufficient staff commensurate with the available resources?
- Are there appropriate performance expectations, including staff to client ratios?
- Are contract mechanisms in place that require or reward timely housing placement?
- Are sufficient resources available to pay prevailing rents, or to pay for bonuses to recruit landlords?

*Recommendation #2 – Continue hotel and motel voucher assistance at a level that reflects the need for non-congregate, temporary housing.*

Since the onset of the pandemic, hotel and motel accommodations have become the primary means of temporary housing for homeless families in Delaware. These accommodations represent non-congregate living arrangements that are more conducive to social distancing. Furthermore, they have absorbed the rising demand for family shelter as shelters and transitional housing facilities have reduced their capacity in response to the COVID-19 pandemic, and as families have stayed longer in temporary housing. The current resurgence of COVID-19 underscores that the pandemic remains a serious public health concern, and that the original intention of the voucher assistance is still critical to protect homeless households (families and individuals) who are, by virtue of their lack of housing, particularly vulnerable to contracting COVID-19.

Given this, the State of Delaware needs to reassess its apparent policy of drawing down the scope of this public health intervention. We call for maintaining this program so that homeless families continue to have access to non-congregate temporary housing at least at their early 2021 levels, and ideally to the level whereby all families in need have access to temporary housing. While it is unclear to what extent the State of Delaware is pursuing FEMA-PA (and other) funding as a means for reimbursing this housing provision, such funding represents a promising means for continued support of non-congregate temporary housing provision.

Failure to maintain adequate supplies of hotel and motel vouchers will further shrink temporary housing capacity, and would leave Delaware even less capable to effectively serve its homeless population at a time when many housing experts are predicting looming increases in evictions and homelessness.

*Recommendation #3 – Increase non-congregate housing capacity (temporary and permanent) in conjunction with HOME American Recovery Plan Act (HOME-ARP) funds*

Although HOME-ARP provides resources for purchasing hotel, motel and similar facilities for conversion to non-congregate housing facilities, we have not as yet come across any effort in Delaware to leverage these funds for said purpose. This is the case despite New Castle County's successful leveraging of CARES Act funding to purchase a hotel that would become the HOPE Center. The HOPE Center already provides a means to shelter families that would otherwise have been placed into hotels and motels. Adding further capacity through hotel and motel conversions could further ease the need for placing families into hotel and motels, and can provide a means of developing much needed permanent housing. Pursuing such conversions in Kent and Sussex counties, which are the counties of origin for disproportionate numbers of homeless families, and which have acute shortages of both temporary and permanent housing facilities for homeless families, should be a particular priority.

*Recommendation #4 – Use Emergency Housing Vouchers (EHV) to reduce family homelessness*

To have the greatest impact on homelessness and demand for homeless services, the limited number of EHV's that are available should go to households with longer histories of homelessness and substantial

barriers to getting housed. While the Delaware Continuum of Care's (CoC) decision to allocate these vouchers within the context of RRH services will limit the ability to do this, selection criteria for EHV's have been developed that allow for the prioritization of such households. To follow up on this recommendation, EHV allocation patterns should be monitored based upon data from the CoC's Community Management Information System (CMIS).

*Recommendation #5 – Restore and increase supply of State Rental Assistance Plan (SRAP) vouchers for homeless families*

SRAP housing vouchers (described in Section 4) are meant to augment services by state programs that are provided to families and individuals as a means to improve outcomes in complex and challenging situations. In one set of arrangements described in Section 4, the state made SRAP vouchers available to families referred by a school district as part of a collaborative staffing by service providers from different agencies. We recommend expansion of SRAP to similar situations in which housing advances the efforts of other providers to assist difficult to serve families experiencing homelessness. Setting aside additional SRAP vouchers for the highest need homeless families that are already involved in other state service systems, especially the housing assistance is available on both permanent and limited-term bases, can both reduce family homelessness and improve the effectiveness of other state-provided services.

*Recommendation #6 – Coordinate planning and resources to assist homeless families*

Services provision to homeless families is provided in a fragmented manner (Section 2). This impacts the quality of services delivery and inhibits the ability to use available resources. This situation has been apparent as funds have become available through federal COVID-19 relief programs. In 2016, the ability of Delaware services providers to coordinate efforts was instrumental in its successfully ending veteran homelessness. A similar cross-sector mobilization should be undertaken to address the alarming increase in family homelessness.

*Recommendation #7 – Expand, consolidate and improve data coverage*

Delaware's CMIS only collects data on a minority of families that receive homeless services. This is one sign of the broader lack of coordination mentioned in the previous recommendation. Effective data to monitor and evaluate progress in reducing levels of homelessness is prerequisite to coordinating efforts to address homelessness. Delaware currently lacks the uniform data system that can perform such functions. Particularly glaring with respect to the lack of data coverage, with respect to homeless families, is the inability of Delaware's Division of State Service Centers, the state's largest temporary housing provider, to contribute data on its homeless services to CMIS. Overcoming this is prerequisite to having the state's homeless services function as an integrated system.

*Recommendation #8 – Develop new affordable housing resources*



As mentioned throughout this report, Delaware’s homeless families face a dearth of permanent housing options. Some existing options, such as RRH and vouchers, have received the most attention and should be expanded as part of the solution to this problem. However, other means to provide or facilitate increased housing resources, such as developing permanent supportive housing, easing restrictive zoning restrictions, outlawing housing discrimination based upon voucher payment, and provision of “tiny homes,” have also received at least some degree of attention in Delaware. While we do not necessarily endorse these specific provisions, we do encourage exploring efforts that expand the current range of options for increasing the supply of permanent housing for homeless families.

*Recommendation #9 – Revisit the Delaware CoC’s 2017 Action Plan for ending homelessness.*

As mentioned in Section 3, four years ago the CoC issued a report, *Ending Homelessness in Delaware*, that laid out a set of recommendations for improving homeless services delivery and reducing homelessness. We pointed out that many of the objectives laid out in this report (see Figure 3-1) are relevant to our current findings. More broadly, the report still provides a timely road map for systematically reassessing the current delivery of services to Delaware’s homeless families.

## 6.2 – Conclusion

This report has started with taking a closer look at the alarming increases in family homelessness over the previous two years, and continued with an examination of temporary and permanent housing availability, as well as the unprecedented availability of federal funding to alleviate this homelessness. The recommendations provided here offer some ways to use federal assistance to fortify existing homeless assistance programs and also to enable new projects. However, there are also measures that can be taken in the absence of federal assistance that would address some current deficiencies that we found in the services provision to homeless families, measures that can both enhance the services for homeless families in Delaware and better position homeless services providers to leverage the additional assistance that is being provided and will hopefully continue. These measures are necessary both to address the current increases in families receiving homeless services and as a basis for shoring up these services for any influx of newly homeless families.

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