



# **Report of the Veteran Homelessness Work Groups**

**At the**

## **National Symposium for the Needs of Young Veterans**

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This report reflects the concerns and recommendations of delegates to the National Symposium who are direct service providers involved in helping homeless and low-income individuals and families. Most of the group already serve veterans – including those who are incarcerated – and are familiar with the multiple challenges these men and women encounter.

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## **Problem Statement**

This work group focused on several inter-related issues that must be addressed to end homelessness among veterans and reduce the risk of homelessness for veterans serving in the War on Terror, specifically in combat operations in Iraq and Afghanistan. This report is structured to present a clear understanding of the scope of veteran homelessness, the problems and issues that contribute to the high incidence of homelessness among the veteran population, and possible interventions and strategies to address the needs of veterans to reduce their risk of becoming homeless after separating from the military. Delegates in this work group concentrated on three primary focus areas:

### **1. Causes of Homelessness**

**Problem: Homelessness is the end result of problems that an individual cannot resolve without assistance. Generally, these problems can be grouped into three categories – economic hardships, health issues, and lack of affordable housing.**

These issues impact all homeless individuals, but veterans face additional challenges when trying to overcome these obstacles: prolonged separation from traditional supports such as family and close friends; highly stressful training and occupational demands that can affect their personality, self esteem and ability to communicate with people in the civilian sector after their separation from military service; and non-transferability of some military occupational specialties into the civilian work force.

### **2. Shelter and Housing**

**Problem: In virtually every community in America there is an inadequate supply of safe, affordable housing for persons with low incomes** (*National Council of Mayors, National Alliance to End Homelessness, National Law Center on Homelessness & Poverty*). The Department of Veterans Affairs (VA) and community-based service providers offer emergency assistance and transitional housing programs for homeless veterans, but these reach only about 60 percent of the veterans who need assistance and, in most cases, provide assistance for a limited period of time. Because of limited resources, these programs often have enrollment criteria that embrace veterans with mental health issues, substance abuse histories, or co-occurring disorders at the exclusion of veterans whose homelessness is caused by economic or other short-term crises.

This assistance network – credited with reducing the number of homeless veterans by nearly 25% during the last five years – is only now beginning to receive requests for help from veterans of Operation Iraqi Freedom and Enduring Freedom (OIF/OEF). Research shows there is likely to be a significant increase in demand for homeless assistance from these new combat veterans, the largest

deployment of troops since the Vietnam War. The current level of homeless assistance services is also being strained by the advancing age of Vietnam-era veterans, and a new veteran subpopulation – women veterans, both with and without dependent children. For the first time in American history, women comprise nearly 14 percent of the nation's combat forces in Iraq, and women currently represent the fastest growing segment of the homeless veteran population.

### **3. Census – Assessing the Need**

**Problem: Because of the transient nature of the homeless veteran population, and their well-documented reluctance to ask for assistance, an accurate census of the homeless veteran population is not possible.**

However, there are studies and surveys that show veterans account for nearly one-fourth of the total homeless population in America – and one of every three homeless men (*National Survey of Homeless Service Providers and Clients, December 1999*). A practical, multi-disciplined approach to addressing the needs of homeless veterans depends on reliable data that demonstrates the scope of the problem and the communities most impacted by the incidence of veteran homelessness, and identifies the needs of the homeless veteran population.

**Note:**

The order of the group's assessment of problems and recommended actions associated with each focus area have been re-arranged in this report to facilitate a better understanding of the scope and issues impacting veteran homelessness.

## **CENSUS – ASSESSING THE NEED**

Until 1994, there was no empirical data in any reliable form that demonstrated the prevalence of veterans among the nation's homeless population. Service providers knew many of their homeless clients were veterans, but there were only two small federal programs in place to help them – the Department of Labor Homeless Veteran Reintegration Program (HVRP), and the Department of Veterans Affairs (VA) Homeless Providers Grant and Per Diem Program (GPD).

That year, the National Coalition for Homeless Veterans (NCHV) and the National Coalition for the Homeless (NCH) conducted a state-by-state survey and released their findings, "A Report to the Nation." That survey showed a significant percentage of America's homeless people were, in fact, veterans.

Congress commissioned the Urban Institute and the Interagency Council on Homelessness (ICH) to perform a more comprehensive survey of the nation's homeless population in 1996. Completed in 1999, "The National Survey of Homeless Assistance Providers and Clients (NSHAPC)" remains the most reliable source of information about homelessness in America. The survey reported:

- 33% of homeless men in America are veterans.
- 23% of all homeless people in America are veterans.
- 89% of homeless veterans have received honorable discharges.

- 67% of homeless veterans have served three years or longer.
- Homeless veterans have attained higher education levels than non-veteran homeless people.
- 79% of homeless veterans live in large metropolitan areas.
- 33% of homeless veterans have served in combat operations.
- Approximately 529,000 to 840,000 veterans will experience homelessness at some time during the year.

These findings helped put the issue of homeless veterans on the national public policy agenda. The VA and Department of Labor took immediate and significant steps to increase HVRP and GPD program funding, the two largest veteran-specific homeless assistance programs in the nation today.

The survey results also proved, to an absolute certainty, that the nation's homeless assistance programs administered by the Department of Housing and Urban Development (HUD), Health and Human Services (HHS), other federal agencies like the Social Security Administration (SSA), and local government authorities were not adequately serving this large segment of the homeless population.

Increasing veteran access to homeless assistance services on the local level, and preventing homelessness among the new generation of America's combat forces serving in Iraq and Afghanistan, is dependent upon the collection of reliable data about the incidence of veteran homelessness and the services that are available to them in every community. All federal homeless assistance grants require locality-specific needs assessments that reflect the number of homeless people and the services they require.

### **Current Homeless Veteran Assessment Tools:**

**1. U.S. Census** – Provides estimates of the number of homeless people and demographic profiles of the homeless population for each jurisdiction. The census is conducted every 10 years, so reliable annual information is not available through this process. Also, there is no measurable effort to ensure that homeless veterans are identified outside of those known to be in a VA or community-based assistance program at the time of the census count.

**2. VA CHALENG Report** – The VA CHALENG (Community Homelessness Assessment, Local Education and Networking Groups) Report is considered the most reliable annual estimate of the number of homeless veterans in the nation. More than 4,000 points of contact nationwide report to the CHALENG representative at the VA Medical Center serving their area. These points of contact include VA and non-VA service providers, emergency shelters, soup kitchens, free clinics, even homeless veterans who know of others in camps and isolated locations. The report includes an estimate for each community, as well as an assessment of the highest priority unmet needs in those locations. The 2005 VA CHALENG Report estimated that 194,000 veterans are homeless on any given night in America, and more than twice that number (400,000) are likely to experience homelessness at some point during the year.

**3. Continuum of Care (CoC) Plans** – Approximately 5,000 organizations and groups participate in a CoC special needs population assessment with HUD each year as part of their application process for a share of the department’s \$1.4 billion in homeless assistance grants. There is a recommendation that local CoC planning committees include veterans as a priority group in these applications, but there is not an enforceable mandate to do so. There currently is no federal requirement that this information should be compiled to present a national estimate of the number of homeless veterans in need of assistance each year, nor is there a standard method of reporting this information that can readily be obtained by government officials, service providers or media concerns who cover homeless issues. Considering the reporting requirements the federal government places on individual grant recipients – particularly those programs that are veteran-specific – this deficiency gives the appearance of federal and local government indifference toward veterans who need assistance the most.

### **Recommendations**

The disproportionately high number of veterans among the nation’s homeless population – *(less than 10% of Americans have served in the military, according to the 2000 U.S. Census, yet 23% of the total U.S. homeless population are veterans)* – clearly indicates the need for continual and accurate reporting of the incidence of homelessness among veterans and an accounting of the services available to help them. This is the cornerstone of effective planning and is the only assurance that veterans are not being unjustly denied access to community homeless assistance services.

**1. Ensure Maximum Participation in CHALENG** – The CHALENG report is the most reliable annual tool for estimating the incidence of homelessness among veterans – community-by-community – in the nation today. However, participation in the CHALENG process is voluntary for non-VA service providers, health agencies and public assistance officials. This recommendation could be implemented by:

- A. Federal legislation that requires all public and private community service providers receiving federal public assistance funds to participate in the CHALENG Program, and to present evidence of that participation with all future funding requests.
- B. Federal legislation requiring all state and local governments that receive federal funds under any public assistance account to certify maximum participation in the CHALENG Program by service providers in their jurisdictions.

**2. Require HUD to Report Veteran Homelessness in CoC Plans** – HUD is already taking steps to encourage local CoC planning committees to report veterans as a special focus group in their homeless assistance grant application processes, but history shows that is not enough. Veterans have been excluded from local assistance programs since the birth of the Great Society programs of the Lyndon Johnson administration. HUD is also engaged in developing the Homeless Management Information System (HMIS) Congress mandated several years ago, but is unable to predict when that system will be fully operational.

About 5,000 community organizations and groups request homeless assistance grants from HUD every year through the CoC process, so information is already being collected on an annual basis. Requiring these communities to identify the number of homeless veterans in their service areas would not significantly add to their burden. Congress should demand an accounting for the amount of HUD's \$1.4 billion in homeless assistance grants that is actually reaching the one-fourth of America's homeless people who are veterans.

## **CAUSES OF HOMELESSNESS**

Homelessness is the end result of problems that an individual cannot resolve without assistance. Because each person deals with challenges and stresses differently, there is no way to predict how and when homeless veterans and those at risk of becoming homeless will ultimately realize they need help. The majority of Vietnam veterans who eventually sought homeless assistance did not request help until eight to 12 years after their discharge (*NCHV, VA*). Generally, the causes of homelessness can be grouped into three categories – economic hardships, health issues, and lack of affordable housing.

The definition of "homeless person" used by most federal agencies that administer assistance programs: "A person who lacks a fixed, regular and adequate nighttime residence; or has a primary nighttime residence that is: (a) a supervised publicly or privately operated shelter designed to provide temporary living accommodations; (b) an institution that provides a temporary residence for individuals intended to be institutionalized; or (c) a public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings."

Under this definition, an adult who is living with a family member or friend without the protection of a written agreement (lease) is essentially at risk of homelessness because they can be evicted without legal recourse at any time. Veterans in a mental health program, half-way house, transitional housing program with supportive services, or a correctional facility are homeless because they live in an institution designed for temporary residency.

### **Health Issues**

The overwhelming majority of veterans return from military service and successfully reintegrate into society as productive citizens. However, studies show that up to one-third of combat veterans are likely to experience some clinical degree of depression, post-traumatic stress disorder, or other emotional/psychological difficulties directly related to their military experience (*VA Iraq War Clinician Guide, 2004*). Debilitating mental and physical health problems are a leading cause of homelessness, so while general veteran health issues are covered in another work group report, these issues must also be included in this report on causes of veteran homelessness.

## **1. Mental Health**

This issue was deemed the most critical by the group because it can adversely impact a young combat veteran regardless of his family or community support network, earnings potential and available housing options. The VA reports that nearly 30% of the 184,000 veterans of Iraq and Afghanistan who have sought VA medical care since separating from the military have exhibited potential symptoms of post-traumatic stress, drug abuse or other mental and emotional disorders. Close to one-half of those – 30,000 – have a possible diagnosis of post-traumatic stress disorder (PTSD).

Of greater concern was the Government Accountability Office (GAO) report that found nearly 80% of Iraq War veterans whose Post-Deployment Survey responses indicated they were at risk of developing PTSD were not referred to Department of Defense or VA facilities for mental health screening and counseling (*GAO Report, May 16, 2006*).

As American troop deployments to Iraq and Afghanistan approach the 2 million mark, it is reasonable to anticipate that as many as 600,000 or more young veterans may eventually seek mental health counseling and treatment services during the next decade.

## **2. Physical Health and Disabilities**

According to the VA Northeast Program Evaluation Center (*NEPEC*), nearly 74% of homeless veterans are likely to have medical problems upon admission to either VA or community-based assistance programs. About 70 percent will have alcohol-related problems; 63% will have drug abuse histories; and 69% will have a mental illness diagnosis. These health issues can either result from or contribute to a veteran's homelessness. Either way, ensuring access to health services is critical to treat and prevent health problems associated with homelessness.

While the VA has greatly increased the size and services of its nationwide health system, many communities are under-served by VA programs and community health services. Many low-income veterans cannot afford health insurance, or work for small and independent businesses that do not offer health insurance coverage. These veterans and their families are one major medical problem or financial crisis removed from severe economic hardship that may, and often does, result in an increased risk of homelessness.

Because of the increased demand for health services from the VA health care system, waiting times for VA medical appointments have been recorded at anywhere from two to six months or longer. For veterans in crisis, this becomes a source of increased apprehension and frustration, and therefore can contribute to an increased risk of homelessness.

## **Recommendations**

**1. Enhance VA Mental Health Programs** – The VA created its Mental Health Strategic Plan in Fiscal Year (FY) 2004, which called for increased funding to improve and expand mental health services at VA medical facilities and

community-based outreach centers (CBOCs). Under that plan, which was renewed with increased funding in FY 2006, 42 sites received funding for OIF/OEF veterans; 42 sites received funding for PTSD-related services; and 74 sites received funding to provide mental health services at CBOCs (VA). However, a recent GAO study found that many VA facilities did not demonstrate appropriate compliance with the VA plan, and not all monies that were appropriated for mental health services were spent. Also, the number of sites is deemed grossly inadequate by veteran advocates and service providers. They say twice the \$300 million currently earmarked to fund the mental health plan would be needed to significantly increase access to mental health services by young veterans returning from the battlefield.

In areas not served by VA, OIF/OEF veterans should be guaranteed immediate access to mental health services at community clinics which would be reimbursed by the VA for the services they provide.

**2. Enhanced Transition Counseling** – Veterans whose Post-Deployment Surveys show an increased risk of developing PTSD should be informed of that fact and be required to receive mental health screening and counseling services at a Department of Defense medical center *before* their discharge. Information from those screenings should be reported to the VA Medical Center serving each veteran's home of record, and VA should be required to follow-up with those veterans at prescribed time intervals, such as six and 12 months after discharge.

All veterans attending transition programs should receive information about the increased risks of homelessness experienced by veterans: **NEPEC reported in November 2004 that male veterans are 1.3 times more likely to become homeless than non-veteran males, and female veterans are 3.6 times more likely to become homeless than non-veteran females.** Yet, this information is not distributed beyond the health care services network, and is certainly not routinely provided to separating service members.

**3. National veteran health insurance program** – Create a program based on a premium sliding scale to make health insurance available and affordable to all veterans and their families regardless of income status.

**4. Public Education** – Require the VA to produce public service announcements for television, radio, newspapers and magazines informing veterans of where they can find assistance within their communities. Many veterans have no idea what benefits or assistance they are eligible for after their discharge.

**5. Expedite Disability Determination for Homeless Veterans** – Veterans who are homeless due to mental illness, chronic alcohol or substance abuse, or other serious illness or disability need to have their VA benefits claims processed rapidly to minimize their disadvantages and maximize the effectiveness of their homeless assistance programs. Veteran assessments for mental and physical health and disabilities are routinely done at intake. The VA should implement a "rapid benefit determination" status for these veterans which can be revised as a veteran proceeds through his or her individual treatment plan. This simple step



might also be implemented for veterans who have been identified as having an increased risk of developing PTSD in an effort to prevent homelessness due to emotional/mental problems that can adversely impact a person's employment and social status.

## **Economic Hardships**

For young veterans, economic hardships usually involve employment issues and mounting debt. The cost of housing in most communities makes it unlikely that a single wage earner will be able to afford a comfortable and safe rental unit. Housing is discussed in the next section, but a person making minimum wage would only make about \$900 a month, and would need to find an apartment for \$300 a month to have enough income to provide himself with food, utilities, transportation and other necessities. Those rental units are extremely rare. And even if one is lucky enough to find a low rent apartment, there is little extra money for insurance, clothing, education, entertainment and recreation.

### **1. Cost of Living issues**

Young veterans who want to live independently once they return home from military duty face incredible economic pressures. They are transitioning from an environment in which housing and other necessities are provided in addition to their monthly income into a world in which everything has a price tag. The cost of housing will not allow younger veterans to live independently; those who do not want to live with their immediate families will usually have to share rental units with friends, co-workers or relatives. Unless they are able to save money as they plan for their future, these veterans are already at a higher risk of becoming homeless than their more securely rooted civilian contemporaries.

Many young people who never serve in the military have difficulty managing their personal finances. Without a considerable degree of discipline, young veterans can quickly become burdened with debt before they realize they are headed for financial disaster. That burden reduces opportunities for self advancement, imperils their economic stability, and can significantly increase their risk of becoming homeless.

National Guardsmen and Reservists also face significant economic pressures, even though most return to their pre-deployment occupations. Often their income while on active duty is lower than what they earned as civilians, so they may be depleting their savings or increasing their debt during military service. This is especially true for families that depend on a single primary wage earner's income.

### **2. Unemployment and Underemployment**

Unemployment and underemployment were identified as the second-most critical concern among this work group. Particularly for younger veterans, many military occupational specialties during wartime are not transferable to the civilian sector – weapons specialists and munitions handlers, door gunners on helicopters, infantrymen. That last one is tricky because law enforcement is a great option for some of these veterans, but the availability of these jobs is statistically insignificant compared to the large number of combat veterans returning from

Iraq and Afghanistan who are looking for work. And, increasingly, many of those positions require college credits to be eligible for consideration.

Many of the military occupations of younger veterans that are transferable are on the lower end of the wage scale – warehousemen, clerical, food service, health care assistants, or lower level workers with limited experience. In many markets, veterans may be competing for rare employment opportunities with civilians who have more training, educational attainment or more personal contact with potential employers and their crews or staff.

For individuals who must rely solely on their own incomes to support themselves and their families, economic pressures are compounded by the difficulty of paying for and attending education programs to improve their earning potential. For single heads of households, the issue of paying tuition and fees is often not as prohibitive as child care and other necessary expenses associated with going back to school.

Studies show that gainful employment at a livable wage, with opportunities for advancement, is the foundation for maintaining economic stability and reducing the risk of becoming homeless. Market factors such as layoffs, plant closings, high unemployment rates, and changes in a region's commercial base that change the nature of jobs that are available usually affect the younger, less experienced workers the most, and that includes young veterans who are attempting to re-enter the civilian work force.

## **Recommendations**

**1. Expand and Increase Funding for the Jobs for Veterans Act** – The Jobs for Veterans Act enables the Department of Labor to provide veterans with employment preparation assistance and job placement services, and to identify employment opportunities for veterans in virtually every part of the country. There are nearly 2,500 employment specialists working with veterans through the Veterans Employment and Training Service (DOL-VETS). Disabled Veteran Outreach Program (DVOP) specialists help homeless veterans and those at-risk of becoming homeless find gainful employment; and Local Veteran Employment Representatives (LVERs) identify employers who are willing to hire veterans. The Act also requires that federal contractors and government agencies give veterans a preference in their hiring policies. Additional funding would increase the number of DOL-VETS employment specialists in the field, create more job opportunities for veterans returning from Iraq and Afghanistan, and enhance the program's oversight and enforcement capabilities with respect to veteran preferences.

**2. Fully Fund the Homeless Veterans Reintegration Program** – HVRP has been cited by the Government Accountability Office (GAO) as one of the most efficient, effective employment assistance programs in the nation. That is a tremendous accolade for a program designed to create employment training and placement opportunities for homeless veterans. In FY 2006, DOL-VETS received \$21 million of the \$50 million Congress authorized for the HVRP program. Appropriators need to fund the HVRP program at its full authorization level to

double the program's reach in helping homeless veterans find gainful employment in order to work their way out of homelessness.

**3. Strictly enforce the Uniformed Services Employment and Re-employment Rights Act (USERRA)** – Of particular importance to National Guard and Reserve forces, USERRA guarantees that men and women who leave their civilian jobs to serve in the military have the right to return to those jobs – or a comparable position with comparable compensation – upon their discharge. The Department of Labor has made this a priority; Congress should ensure this initiative is properly funded and enforcement is swift and severe when violations are reported.

**4. Provide Employers Tax Incentives to Hire Veterans** – While this initiative might invite a certain degree of public opposition, the nation that sends its youth into harm's way has a responsibility to ensure that they have employment opportunities once they are discharged from military service. Some jurisdictions already do this. The U.S. government should create a tax incentive program to increase the availability of jobs for OIF/OEF veterans, and the program's results should be reported to Congress on a quarterly basis.

**5. Encourage partnerships between educational institutions and employers** to create training programs, internships and employment opportunities for OIF/OEF veterans, funded jointly by the Department of Defense, Department of Labor, VA and the Department of Education.

**6. Require VA Vet Centers to offer financial counseling** – Veterans who are experiencing financial difficulties are at a high risk of becoming homeless. These problems are usually caused by low incomes, high debt to earnings ratios, and high housing costs. The VA's Vet Centers provide combat-era veterans counseling and referrals to local services such as mental health supports, employment assistance, VA benefits counseling, and other assistance that is available at community-based organizations. Vet Center staff should be trained to provide basic financial advice and referrals to credit counseling agencies, debt relief organizations, and mortgage advisors to help veterans regain control of their personal finances in order to reduce their risk of becoming homeless.

**7. Provide greater support for Community Stand Downs** – Stand Downs are community events that bring a wide range of services for homeless veterans together in one location. Based on the military stand down model used in the Vietnam War, homeless veterans are welcomed into a secure, camp-like setting where they receive showers, haircuts, clean clothing, food, medical screenings, employment preparation and job placement assistance, VA benefits counseling referrals to transitional housing programs, alcohol and substance abuse counseling, and social programs to restore their sense of dignity and self worth. Nearly 100 communities nationwide conduct Stand Down programs that help 28,000 homeless veterans each year. The Department of Labor and VA help provide funding for Stand Down programs, and Eli Lilly and Company provides personal care kits with helpful resource information to homeless veterans at these events. The National Coalition for Homeless Veterans is the national coordinator of the Stand Down Program.

## Shelter and Housing

Housing must be addressed on three levels: temporary shelter, transitional living facilities with supportive services, and permanent housing with or without supportive services.

Veterans who lose their housing – regardless of the reasons – will most likely have to progress through all three levels before they become self sufficient and able to live independently. Depending on how long a veteran has lived on the street, that progression can take up to five years or longer to complete. Veterans with serious mental illness or other disabilities may never be able to achieve full independence. Veterans with histories of alcohol and drug abuse, legal problems or incarceration face extreme obstacles when trying to obtain and maintain housing.

Because of limited public assistance resources, homeless programs are usually subject to a priority system that favors single parents with dependent children, the elderly and the disabled over veterans without an obvious substance abuse, mental illness or other disability. The reality is that, in virtually every community in America, there is a critical shortage of safe, decent affordable housing for persons and families with low and extremely low incomes (*National Law Center on Homelessness & Poverty, National Alliance to End Homelessness, Harvard University, 2006*). This was deemed a critical issue by this work group in light of the fact that more than 1.5 million veterans live below the federal poverty level – that's 1 of every 16 Americans who have served in the military (*2000 U.S. Census*).

### 1. Emergency Shelter

Most communities have shelters that provide emergency assistance to victims of catastrophic events, domestic violence and homelessness on a daily basis. Most of these are restricted to women or men, the main exception are shelters that accept women and children. There are very few shelters that are able to receive men with dependent children. The availability of social workers and referrals to supportive services varies widely; and people who are known to be homeless are usually asked to leave the premises each morning and are not allowed to check back in until late afternoon.

That practice makes it difficult to connect homeless veterans with service providers who can help them, even from VA sources, particularly if the veteran is dealing with serious emotional or mental disorders. For veterans with alcohol or substance abuse issues, this may be their only recourse until they complete a sobriety or drug rehabilitation program. In those cases, they most likely will need a case manager from a veteran service provider or veteran service organization (VSO) to work with them to ensure completion of the program in order to become eligible for enrollment in a transitional housing facility.

Veterans without substance abuse problems who must reside in an emergency shelter while waiting for placement in a transitional program may need similar

support because of the emotional stress and lower self esteem often encountered by people who find themselves in this situation.

## **2. Transitional Housing with Supportive Services**

Transitional housing programs are designed to provide temporary housing in a safe, alcohol- and drug-free environment to help homeless people work toward the goal of independent living. Supportive services that are provided – either directly by the organization or through partnerships with other community programs – include health care, mental health assessments and treatment, employment services, transportation and clothing, assistance applying for benefits such as food stamps, and social security income supports. Most programs have up to a 24-month eligibility limit, with the expectation that homeless clients will begin working and be able to move into their own rental housing units during that term.

The VA Homeless Providers Grant and Per Diem Program is a partnership with community-based organizations that provide those services, but also work closely with VA medical facilities and benefits offices to make sure veterans receive the benefits they earned through their military service. Approximately 25,000 beds are available to help veterans transition from homelessness to permanent housing. About 10,000 of those are operated by community-based organizations in 48 states and the District of Columbia, with 2,200 still in the planning stage.

The VA estimates its homeless programs reach about 100,000 veterans each year. Community-based organizations represented by NCHV reach another 150,000 each year. That still leaves almost 38% of the nation's homeless veterans without the help they need. It is likely that some of those veterans are receiving assistance from other community resources, but there is no way to determine how many and what assistance they are receiving. The VA says it needs an additional 9,600 GPD beds to help address this problem (*GAO Report, September 2006, "Homeless Veteran Programs"*).

## **3. Permanent Housing**

Helping the homeless work their way back into permanent housing and economic self sufficiency is the goal of all comprehensive homeless assistance programs. Many organizations in the private sector and an increasing number of government-subsidized programs utilize a "Housing First" approach. This model moves homeless people and families into housing units relatively quickly – usually in multi-family housing projects – and then makes supportive services available to them. Some projects do not require proof of sobriety or drug-free status prior to placement. Clients are assigned case workers who encourage them to participate in rehabilitation programs and apply for services, but there often is no requirement that they comply with those recommendations. The primary defense of this approach is that it significantly reduces the costs of emergency room care and law enforcement activities with respect to homeless persons.

Private and government-subsidized permanent housing programs with eligibility requirements are more commonly referred to as Section 8 or Housing Choice

rental units. Applicants must sign lease agreements and agree to follow site-based rules to remain in the housing units. In most communities, the need for these subsidized rental housing units far exceeds the supply, and waiting lists are measured in years if they are open at all.

Recognizing the lack of affordable housing in their communities, some veteran-specific transitional housing programs have been developing permanent housing opportunities for veterans who are ready for independent living. These programs are scarce, however, and VA has no authority to provide grant funding to create affordable permanent housing units for low-income veterans and those who have completed their transition programs. Veteran service providers must compete with other housing projects for limited HUD funding, and constantly search for additional funding sources to provide this housing option.

At the present time, many of the permanent housing units being planned by veteran service providers are more accurately described as “permanent supportive housing,” rental units that will be offered to veterans who need services such as case management, income supports, outpatient mental health care and long-term physical and occupational therapy. This means veterans at risk of becoming homeless solely because of low incomes will remain at risk for the foreseeable future.

These problems take on added urgency when considering the fact that the majority of troops who will see action in Iraq and Afghanistan haven't even begun to request homeless and risk-reduction assistance in the numbers service providers expect throughout the next decade.

## **Recommendations**

**1. Significantly increase funding for VA Grant and Per Diem Program –** Funded at \$99 million for FY 2006, the GPD program supports nearly 10,000 beds to help homeless veterans through community-based service providers. The VA has said it needs another 9,600 beds to serve the veterans who are beyond the reach of assistance, and that is before Iraq and Afghanistan veterans begin asking for help in the numbers service providers and researchers expect. These programs have been evaluated by the GAO and have been shown to be highly effective and efficient in not only serving the homeless, but providing help to veterans in crisis who are at risk of becoming homeless. A funding increase to \$200 million would come close to satisfying the VA target for new GPD beds.

**2. Establish a grant program to help women veterans with children –** With women accounting for 14% of the nation's combat forces – many with dependent children – a special VA assistance program focusing on the needs of these veterans is critical. Income supports and child care assistance for returning OIF/OEF low-income women veterans with children would reduce their risk of homelessness due to financial crises, and help them keep their families together. This would also help women veterans in their search for employment and educational opportunities to increase their earnings potential.

**3. Develop affordable housing programs for low-income veterans –**

Every community in the nation must incorporate into their 10-year plans a strategy to develop affordable housing stock to prevent homelessness among its low-income and extremely low-income individuals and families, with a set-aside for returning OIF/OEF veterans.

**4. Restore and expand the HUD/VASH Program –** The Department of Housing and Urban Development and VA teamed up in 1992 to provide housing vouchers for veterans in need of supportive housing in a highly successful program known as HUD/VASH (HUD-VA supported housing). Approximately 1,700 HUD/VASH vouchers are still in use, but the program never reached its 2,500 voucher authorization. Current legislative proposals are calling for a renewal of this program, with a target of 2,500 additional vouchers. Considering the number of wounded veterans returning from OIF/OEF, and the expectant rise in the number of veterans struggling with PTSD and other emotional/mental disorders, this number seems inadequate.

**5. Create a national prime rate interest home loan program for OIF/OEF veterans –** The VA home loan guarantee program has made home ownership a reality for hundreds of thousands of veterans. However, this program does little for young veterans with modest incomes. Home prices are at record highs, and even two-income families are finding it difficult to qualify for market rate mortgages. A special loan account, administered by a corporate partnership, to provide home loans at well-below market rate for OIF/OEF veterans would help these young veterans qualify for home ownership, allow them to build equity to strengthen their financial stability, and effectively reduce their risk of homelessness by reducing their mortgage payments. Funding institutions could be offered federal tax incentives to offset income loss due to the lower interest rates.

**6. Local governments should create family shelters –** Where they are not already provided by private or faith-based organizations, family shelters to provide emergency services should be developed and supported by local governments through federal social services grants. In a great majority of communities, family members are separated from each other when they need emergency shelter – mothers and young children go to one shelter, if one is available to receive both; fathers go to another. Sometimes there are separate shelters for women and children. This initiative would require a strong partnership between government, service providers, the business community and private citizens.