



COMMONWEALTH OF MASSACHUSETTS  
**THE GENERAL COURT**  
STATE HOUSE, BOSTON 02133-1053

December 9, 2011

William F. Welch, Senate Clerk  
Office of the Senate Clerk  
State House, Room 335  
Boston, MA 02133

Steven T. James, House Clerk  
Office of the Clerk of the House  
State House, Room 145  
Boston, MA 02133

**RE: Recommendations for the Commonwealth's Emergency Assistance and Short-term Housing Assistance Programs**

Section 9 of Chapter 171 of the Acts of 2011 directs the undersecretary of Housing and Community Development, the Secretary of Administration and Finance, in cooperation with the Chairs of the House and Senate Committees on Ways and Means to provide, "legislative and budgetary recommendations necessary to ensure the continued and sustainable operation of the state's Emergency Assistance and short-term housing assistance programs." This letter includes recommendations pursuant to that section.

The need for these recommendations follows a substantial and unexpected increase in the demand for emergency housing assistance and short-term housing assistance in the first quarter of fiscal year 2012. This increased demand coincides with the start of the new HomeBase program, created in the FY 2012 budget. In order to meet demand for EA and HomeBase, the supplemental budget included \$39.2 million to support the continued operation of these programs in the current fiscal year. Our recommendations are intended to maintain the state's essential safety net housing services for needy families, while limiting programmatic cost growth both in the current fiscal year and beyond.

This letter provides recommendations that will inform future actions related to addressing homelessness in the Commonwealth. Those recommendations are centered on 3 shared principles:

**Programmatic HomeBase**

HomeBase was created to provide families in danger of homelessness with cost effective "housing first" options other than shelter. The goal, to maximize the likelihood of long-term, sustainable housing, remains a shared goal for fiscal year 2012 and beyond. These benefits must be properly directed only to the appropriate recipients and limited in their application to ensure cost predictability and program sustainability.

## **Shelter Type**

The state's shelter system is comprised of congregate units, scattered site units, and motels and hotels. Each type provides a different range of services, a different daily cost and a different average stay. Of the three, congregate units provide a network of housing, employment and other services essential for helping families in the Emergency Assistance system address the causes of homelessness. This level of services is more limited in scattered site units, and is not available for many families in hotels and motels. To the extent possible, families in need of shelter should be directed to congregate units, and away from scattered site units and units in hotels or motels.

## **Prioritizing**

As the Department and its partners work to re-house families in the shelter system, the most appropriate recipients of re-housing services are those families who the Department and service providers determine are most likely to be permanently housed with the least amount of continued services required.

The Department should continue efforts, where possible, to target resources in this manner. In general, we understand that providing targeted assistance to families in danger of becoming homeless, when possible, is less expensive and more likely to produce better long-term outcomes than waiting until a family becomes homeless and enters the Emergency Assistance system. Given this, we agree that as resources are available in the future, they should be directed towards programs that achieve that goal.

## **Given these shared principles, the signers of this letter make the following recommendations:**

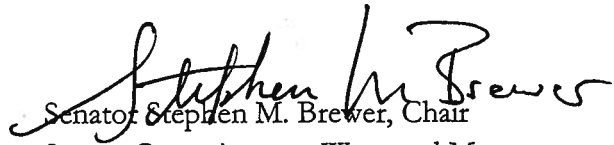
1. The HomeBase Rental Assistance benefit should be limited to families in the state's shelter system as of October 28, 2011. Maintaining this cap established in the recent supplemental spending bill will establish a baseline demand for shelter services and limit cost exposures for fiscal year 2013. The Rental Assistance benefit should be used for the remainder of the fiscal year to maximize the number of families that can appropriately be transitioned out of the shelter system. Therefore, the Rental Assistance benefit will be targeted to families: (1) who have been in shelter or a motel as of October 28, 2011; (2) are determined to have a high likelihood of success in remaining permanently housed with rental assistance; and (3) who are complying with their Rehousing and Stabilization Plan.
2. The HomeBase Household Assistance benefit should continue to be available to Emergency Assistance eligible families as an alternative to entering shelter and to families in the state's shelter system as of October 28<sup>th</sup>.
3. The process of prescreening families prior to applying for Emergency Assistance eligibility should be changed so that it is not required in areas where it is not effective. Regional service providers should report on the effectiveness of current prescreening requirements for families in danger of homelessness. When appropriate, providers should indicate where they would redirect resources used for prescreening to improve other services. We request

those findings be reported to the House and Senate Committees on Ways and Means, the Executive Office for Administration and Finance and the Department

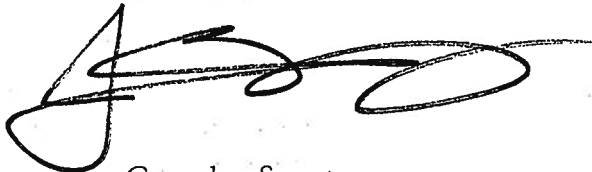
It is our continued shared goal to serve families in the Commonwealth in need of emergency housing. While we understand that Emergency Assistance remains subject to volatile demand, our goal in adopting these recommendations is to prevent further budgetary exposures for these items in the current fiscal year and to control costs going forward. We believe these recommendations for fiscal year 2012 build upon work done in the fiscal year 2012 budget to transform how the state addresses homelessness while improving the system's cost certainty. As we have seen in the first part of this fiscal year, continued efforts to control costs are crucial to preserving the important set of homelessness services that remain a priority for us all.



Representative Brian S. Dempsey, Chair  
House Committee on Ways and Means



Senator Stephen M. Brewer, Chair  
Senate Committee on Ways and Means



Jay Gonzalez, Secretary  
Executive Office for Administration & Finance



Steven Carvalho, Acting Undersecretary  
Department of Housing & Community  
Development