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Baker-Polito Administration Unveils Initiatives to Reduce Homelessness, Proposes \$20 Million ‘End Family Homelessness Reserve Fund’

BOSTON – Today, Governor Charlie Baker and Lieutenant Governor Karyn Polito unveiled a series of reforms aimed at reducing family homelessness and proposed a \$20 million ‘End Family Homelessness Reserve Fund.’ The proposals reorganize efforts around prevention, support aggressive casework to shorten the length of shelter stays and task the Executive Office of Health and Human Services with implementing the new policies to combat homelessness.

These reforms and the \$20 million ‘End Family Homelessness Reserve Fund’ proposal will be part of the administration’s Fiscal Year (FY) ‘16 budget. An additional \$2 million for homelessness support services at the Department of Mental Health is also included in the budget, and the administration has identified an additional \$1.5 million for the HomeBASE program, which provides short-term housing assistance.

“It is a human tragedy that more and more Massachusetts families become homeless and it’s clear we must reprioritize how these families are served,” **said Governor Baker.** “The aggressive strategies and reserve fund we proposed today will cut down the time people spend in shelters away from their community, and get them into stable living conditions faster. We must reprioritize our strategies because it’s clear the policies in place now are not getting the job done.”

“The moms and dads who find themselves in need deserve better than the current system,” **said Lieutenant Governor Karyn Polito.** “The reserve funds and targeted reforms to deliver needed services faster, coupled with a focus on prevention, are the best way forward for families who need help now.”

"These reforms will allow us to assist families with their core needs, whether they be child care, education, job training, rental assistance, medical care or substance abuse treatment," **said Secretary of Health and Human Services Marylou Sudders.** "This will give them more than a place to live, it will give them hope and direction to ensure their lives are improving over time."

"At Heading Home we are excited about the Governor's approach to family homelessness," **said Tom Lorello, Executive Director of Heading Home in Springfield.** "He is clearly following through on the plans he outlined in his white paper by emphasizing prevention and housing. Based on what has been learned in recent years here in Massachusetts and other parts of the country, Governor Baker's plans will result in better outcomes for families and represent a smarter use of our resources."

"Diversion works and I commend Governor Baker for putting a strong emphasis on getting families the resources they need to find stable living situations," **said Peter Gagliardi, President and CEO of HAPHousing.** "This complement to DHCD's diversion resources will make sure that families are getting the services they need to succeed and these proposals will strengthen the coordination between HHS & DHCD to address the crisis."

"To its credit, the Baker-Polito Administration is following through on their promises to remedy the family homelessness crisis, starting with the overflowing welfare motels," **said Philip Mangano, President of the Boston-based American Round Table to Abolish Homelessness.** "That's a good thing for homeless moms and their children, and it sets the stage for a strategy to ensure our families remain in their own communities, and our children in their own schools. It's common sense for the state budget, common sense for our families' wellbeing, and far more compassionate than isolating them in distant and expensive welfare motels."

The Baker-Polito Family Homelessness Reforms:

Meeting families at the "front door" of Emergency Assistance and connecting them quickly with the resources they need is in the best interest of the families, and is also more cost-effective than placing a family in a shelter or motel where it may take months for them to receive services. Pursuing this strategy will **reduce the number of families in shelters in motels** and allow the state to invest in other services for our most vulnerable children and their families.

To better meet the needs of homeless families, Governor Baker and Lieutenant Governor Polito are proposing:

- \$20 million for the End Family Homelessness Reserve Fund
- Tasking the Executive Office of Health and Human Services to take the lead in developing a solution along with the Executive Office of Housing and Economic Development
- An investment of resources into programs that both prevent families from becoming homeless and shorten the time homeless families spend in shelters before obtaining stable living conditions
- A concentrated focus on the unique service needs of each family

The End Family Homelessness Reserve Fund:

The End Family Homelessness Reserve Fund will offer tailored and flexible short-term assistance for families with a goal of rapid housing stabilization. These resources can be flexibly used for prevention, diversion and stabilization, depending on the unique needs of the family. HHS will take the lead on deploying these resources, and will work across state government to provide the necessary services to families. The state will partner with local service providers to fund outcomes-based programs that successfully return families to stable housing situations as quickly and effectively as possible.

The Baker-Polito Administration will **invest \$20 million in this new Reserve Fund**, enabling the fund to serve thousands of families who are homeless or at risk of homelessness.

Goals:

- Incentivize providers to quickly assess and service families according to their specific needs
- For each family, providers will develop a plan to achieve housing stability and help the family access available services to meet that goal. Whether it's child care, education, job training, rental assistance or substance abuse treatment, each family will need different resources to address their unique reason for their housing instability
- This will help keep families in their communities, rather than placing them in a motel far from their support network, their children's school and their job
- This will reduce both the number of homeless families and the length of stay in shelter of homeless families, resulting in savings that will be invested in the Reserve Fund and other important state services

Key Facts:

- This proposal revises the categories of eligibility for Emergency Assistance so that those in an emergency situation are able to enter the system, while those who need help with housing stabilization are diverted to other types of services and support
- This aligns the Massachusetts definition of emergency closer to the federal definition
- Maintains a 30-day presumptive placement requirement, so that any family in critical need of shelter would be placed until their needs and eligibility could be assessed and they could be connected with the most appropriate services
- The administration has also identified an additional \$1.5 million in funding for the HomeBASE program, which provides short-term housing assistance
- The budget also provides an additional \$2 million for homelessness support services at the Department of Mental Health

Additional Background on the Homelessness Crisis in Massachusetts:

The number of homeless families in Massachusetts is at the highest level in the history of the family sheltering program since it began 30 years ago. There are approximately 4,500 families in Massachusetts' Emergency Assistance (EA) shelter program. More than 1,400 of these families with children are being temporarily sheltered in hotels and motels across Massachusetts because emergency shelters are full.

State spending on hotels and motels for homeless families this year will be more than \$40 million, or \$110,000 a day, compared with \$1 million six years ago. For FY '15, the total amount expended on Emergency Assistance for homeless families is expected to be more than \$180 million, up from \$150 million in FY10. While the number of homeless families is declining nationally, the number of homeless families continues to rise in Massachusetts.

These families are frequently placed in motels far away from where they have been living, which means they are separated from their communities and family support networks, and their kids miss days or weeks of school, or have to be transported back to their home communities to attend school.

The average motel stay is seven months, at a cost to the state of \$2500/month.

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