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May 18, 2023

Re: LD 258, An Act Making Unified Appropriations and Allocations for the Expenditures of State Government, General Fund and Other Funds, and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2023, June 30, 2024 and June 30, 2025

Senator Rotundo, Representative Sachs, Senator Pierce, Representative Gere, and members of the Joint Standing Committee on Appropriations and Financial Affairs and the Joint Select Committee on Housing, my name is Cullen Ryan, and I am the Executive Director of Community Housing of Maine (CHOM). CHOM houses Maine's most vulnerable people and advocates on their behalf to see that everyone is included as part of the community.

I am testifying in strong support of the Governor's Change Package. Specifically, I urge you to support aspects of Part TT which would build more affordable housing in Maine:

- *\$35 million for the Rural Affordable Rental Housing Program,*
- *\$35 million for the Low-Income Housing Tax Credit program,*

There is an overall shortage of affordable housing for all populations in Maine: The aggregate waiting list for affordable housing managed by state's largest apartment association has risen to more than 30,000 households; 26,000 Maine households are on waiting lists for federal rental assistance, often waiting five to ten years. This data is as of 2019 – it has worsened since, especially amid the pandemic and the sharp increase in cost of housing. There is an extraordinary unmet demand for affordable, quality housing for all populations, as well as supportive housing for people experiencing homelessness with complex issues such as serious and persistent mental illness, substance use disorder, and trauma from domestic violence.

In the past few years, resources have only allowed for about 180-220 affordable housing units a year to come online, and closer to 12 each year for supportive housing. Despite Maine Housing and the Legislature increasing resources toward this, the need for affordable and supportive housing for homeless and special needs populations far exceeds the supply.

Only a small fraction of affordable housing has been targeted toward serving homeless populations. Without creating solutions at a more significant scale, we won't make a real difference in ending homelessness in Maine.

Homelessness is solvable. Housing and services are the key tools we need to do so.

It is extremely important whom, within the homeless populations, this housing targets. Housing someone who was homeless for a day or even a few weeks will help, but modestly. Circumstantially homeless populations generally do not require dedicated supportive housing. In contrast, housing people experiencing homelessness for the longest period of time who have complex needs requiring a permanent supportive housing intervention, will make the most significant difference in emptying out shelters and getting people off of our streets. This population is our Long Term Stayers (LTS, people with 180+ cumulative nights of homelessness, in shelters or outside, in any 12-month period). LTS use beds night after night, making no vacancy situations for the majority of people who are circumstantially and briefly homeless.

The ESAC Long Term Stayers Committee, which includes 20 participating organizations, has housed more than 430 of the longest stayers in homelessness with the most complex needs in Maine over the last 7 ½ years, and also demonstrated that this population is as many as 45 times more likely to be in jail and 29 times more likely to be in the hospital when unhoused vs housed. Housing this population saves us a lot of money and is a game changer for each person. Our biggest problem is finding it.

If done right, Part TT of the Biennial Budget could dramatically help Maine end homelessness, by housing the few hundred people who need it most.



Supportive Housing as an Evidenced-Based Practice

Today in Maine it costs:

- \$903 per day, or \$47,000 per person per year, to have someone in jail.
- \$1000 per person per day to have someone in the ER, not including rescue transportation there or other hospitalization costs that can follow such visits.
- \$3073 per person per day, or \$159,813 per year, on average to have someone at Riverview.
- \$1200 per person/month or \$14,400 per year to keep someone in the least expensive emergency shelter, not including food, or other services.

In contrast to the cost to serve frequent users of these many systems, it costs:

- \$13,200 to house someone for an entire year in Maine* and approximately \$3200 a year for support services**, for a total cost of \$16,400 per person per year to be stably housed.
- For the few that need them, additional support services such as Acute Care Team (ACT) are much more efficiently delivered and effective when a person is housed rather than homeless.

There are multiple successful, best-practice models for housing homeless populations requiring supportive housing. Three in Maine with the most success are:

- Site-based Housing First models, such as Logan Place, Florence House, and Huston Commons in Portland. These are dedicated buildings, coupled with project-based rental subsidies and 24/7 support services, with low barriers to entry. This model has provided permanent stability for people experiencing chronic homelessness with high vulnerabilities.
- Scattered-site Housing First models use the same low-barrier approach as the site-based model, but instead feather homeless populations into housing using rental subsidies. Outreach services are provided to ensure people maintain stability in their housing. This model has had a success rate in the mid-90% range, but it is dependent on finding housing in the marketplace for the most part, and 1% vacancies make this very tough to find.
- Dedicated Transitional and Permanent Supportive housing with low barrier access. These are generally smaller multifamily projects scattered around service center communities across the state. They specifically house homeless populations and provide dedicated support services for their success. Much of the housing for victims of domestic violence, youth who cannot be reunited with families, and people with substance use disorder, is transitional; LTS require permanent supportive housing for success.
- Inclusive Housing, where multifamily affordable housing welcomes homeless populations into a percentage of the units, and outreach support makes this supportive housing.

We need sufficient supplies of all of these best practice models. We are significantly short in our supply of all of them. I would encourage Part TT of the Biennial Budget to specifically prioritize people homeless the longest vs. shortest lengths of time. That way it will do the most good. And flexibility in the housing design will be important for this to work well all over the state.

Thank you for the opportunity to comment.