



## Statement of the Corporation for Supportive Housing on the Public Policy Impact of Hurricane Katrina

As the largest natural disaster in U.S. history, Hurricane Katrina will have significant policy effects locally and nationally for some time to come. This will be so with regard to the regions directly hit by the storm and in other regions with significant numbers of evacuees. While the situation remains fluid, CSH believes that past experience with addressing the housing and services needs of vulnerable populations, both within and outside of the aftermath of a natural disaster can provide some guideposts for policymakers in these circumstances. Below are CSH's recommendations.

**First**, it is important to be conscious of the context in which policy approaches must evolve:

- In areas directly hit by the storm—and even in places with high numbers of evacuees (e.g., Houston)—accurate, much less complete, information about the precise short-term and long-term housing and services needs remains in short supply. This makes clear, customized policy prescriptions difficult to formulate.
- The highly impacted areas are quite overwhelmed, while some other regions of the country that had expected to receive many hurricane evacuees are seeing smaller numbers than anticipated. It appears, then, that much of the policy impact of the hurricane will be more localized (and of devastating magnitude), with consequences felt elsewhere primarily through a “ripple effect” and/or due to increased focus of federal policymaking on the areas directly hit by the storm. It is not yet clear what this means politically.

**Second**, CSH is working with other national organizations to formulate policymaking principles and specific positions in light of Hurricane Katrina. For example, CSH is participating in an effort by the National Low Income Housing Coalition (NLIHC) to devise a comprehensive set of guiding principles, which will be finalized in the near future. **More immediately, however, CSH is communicating in all policy conversations our support for:**

- 1. A “flexing up” of relevant federal policies and program requirements to ensure that localities can rapidly meet the immediate, intermediate, and long-term housing and services needs of households affected by the hurricane.***

In response to the urgent and overwhelming housing needs generated by hurricane Katrina, CSH joins others in calling for increased flexibility in the administration of HUD and other housing programs. Examples include:

- Ensuring that displaced families that had received federal housing assistance can transfer this assistance to new locales;
- Suspending temporarily some voucher program rules (e.g., initial income verification, inspections, etc.) so that assistance can be distributed more quickly and widely;
- Providing HUD authority to waive requirements that storm refugees be FEMA-certified before being accepted into HUD housing.
- CSH supports the letters sent to Congress on these and other issues available at <http://www.nlihc.org/news/091205.html> and <http://www.nlihc.org/news/090205.html>.

- a. However, we are clear that increased flexibility should not undermine the targeting of assistance to those most in need.* It may be appropriate and necessary to loosen temporarily income and other targeting requirements in such programs as Section 8 and LIHTC to meet the urgent needs of storm victims, but such decisions must be made in such a way (and in the context of increased overall resources, see #3 below) that the needs of homeless people and others with longstanding critical housing needs do not go unmet as a result. Already, CSH has heard troubling reports in some locales of corporations seeking access to LIHTC housing for their displaced employees in regions where many very poor, hurricane-affected households also desperately need housing.
- 2. A strategy of rapid rehousing in decent, safe accommodations.** CSH joins others in endorsing an approach that moves as quickly as possible beyond providing emergency shelter to affected families and individuals. We support policies that will rapidly rehouse households in safe, affordable and otherwise sustainable living environments, in communities where they choose to live.
- 3. Appropriation of new federal funding to meet the immediate, intermediate, and long-term needs of hurricane-affected households—Congress and the Administration must make whole existing housing and homelessness programs that have necessarily been tapped and provide substantial new resources.**

It is already clear that existing resources are insufficient to address the situation. While it is to be expected that different proposals regarding the amount and nature of incremental federal housing assistance (e.g., tenant-based rental assistance, production-focused capital investment, etc.) have and will be discussed, CSH's primary goal is to prevent reallocation of oversubscribed existing program resources to address hurricane Katrina. Locally, this means CSH opposes strategies that would have the effect of enabling hurricane-affected households to "jump the line" for desperately oversubscribed housing resources (e.g., years-long waiting lists for public housing and Section 8).

**Federally, CSH supports the strategy proposed by the Center on Budget and Policy Priorities (CBPP) and Sen. Sarbanes to provide \$3.5 billion in emergency housing voucher assistance.** CBPP published a paper (<http://www.cbpp.org/9-9-05pov.pdf>) recommending that Congress supplement FEMA's efforts by appropriating funds for new emergency vouchers (as was done after the Northridge CA earthquake in 1994) as well as provide funding for PHAs to use existing authorized vouchers (that although authorized were not previously funded) to serve Katrina victims. Senator Sarbanes (D-MD), Ranking Member of the Senate Banking Committee, filed an amendment last week (S.Amdt.1662) that would provide \$3.5 billion in funding for such vouchers—about \$10,000 per household given an estimated need of 360,000 households. More details on S.Amdt. 1662 can be found at <http://www.nlihc.org/mtm/mtm10-35.html#3>.

**At the state and local level, to the extent that public officials have identified "new" resources to meet the needs of hurricane-affected households that did not materialize, CSH urges that these resources be made available to meet existing local needs.** CSH and other local advocates note that local and state officials who have pled poverty in the face of repeated requests for additional housing and services resources to meet pre-existing local need

(i.e. to address homelessness), were able on short notice to make incremental resources available for expected Katrina evacuees. Where such evacuees did not materialize, it is incumbent on those officials to make the resources available to meet local need.

- 4. The rebuilding of affected communities must encompass housing for people with a range of incomes—including extremely low-income people—so that these cities and communities sustain the rich diversity that existed before the disaster.***

CSH stands with others in advocating for the inclusion of a significant contingent of people from low-income communities, the African-American community, and those representing people who are homeless and disabled as decisions about redevelopment are made.

*9/15/05*