

**United States House of Representatives Committee on Financial Services  
Subcommittee on Housing and Community Opportunity, Bob Ney (R), Chairman**

**Testimony of Mitchell Netburn, Executive Director, Los Angeles Homeless Services Authority**

**April 12, 2006**

Mr. Chairman and members of the Subcommittee, I am honored that you have invited the Los Angeles Homeless Services Authority to testify on the value of the Community Development Block Grant (CDBG) Program as a vital tool to help end homelessness.

The Los Angeles Homeless Services Authority, known as LAHSA, is a joint powers authority of the City and County of Los Angeles. Founded in 1993, LAHSA is governed by a ten-member commission. Each of the five Los Angeles County Supervisors appoints one commissioner and the Mayor of the City of Los Angeles appoints the other five commissioners, with approval of the City Council.

LAHSA has been the lead coordinator for the second largest Continuum of Care system in the country since the inception of U.S. Department of Housing and Urban Development (HUD) Continuum of Care funding process. The Continuum of Care requirements enable LAHSA to vigorously pursue a regional approach to addressing homelessness. This is critical to successfully address homelessness, especially given the geography covered by our continuum – four thousand square miles – and the extreme differences in infrastructure and needs across our County. Moreover, Los Angeles County encompasses 88 jurisdictions, including 34 entitlement cities.

**Nature and Extent of Homelessness in Los Angeles County**

Based on recent statistics, the City of Los Angeles has now been titled the “Homeless Capital” of the United States and according to Philip Mangano, Executive Director of the U.S. Interagency Council on Homelessness, “1 in 9 people who are homeless in America resides in Los Angeles County”.

Mr. Mangano’s statistic was based on the Greater Los Angeles Homeless Count, which was conducted in January of 2005 by LAHSA. The count involved a point-in-time enumeration and a survey of 3,300 people who were homeless to learn about their characteristics. The findings from the count estimated that more than 240,000 men, women and children experience homelessness each year in Los Angeles County and 88,000 on any night, more than any state in the nation, except for California. The vast majority, 88%, are living on the streets or other places not meant for human habitation, such as cars or abandoned buildings.

What we also learned from count is that:

- More than 40% of the homeless population (more than 34,000 people) have both a disability and experience long-term or repeated homelessness, meeting the Federal definition of chronic homelessness;

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- There are 6,561 homeless families. About one-quarter (24%) of the homeless population are women;
- Veterans comprise 19% of the homeless population, while youth less than 18 years of age represent 16%. Among homeless youth, a significant number are runaways and emancipated foster youth.

The diverse characteristics of individuals and families who are homeless and their many paths into homelessness point to the need for comprehensive and long-term efforts such as the need to expand the availability of housing and supportive services.

In addition to homelessness, Los Angeles County has experienced increasing poverty and diminishing housing resources for our lowest income residents. The Los Angeles County poverty rate is nearly 18% and the cost of housing has increase substantially over the last few years.

### **Importance of Community Development Block Grant Funds**

The Community Development Block Grant Program provides critical funding to address acute problems of communities, such as poverty and homelessness. LAHSA utilizes CDBG funds for a wide range of homeless services and housing.

For example, just last week, the Bring Los Angeles Home Blue Ribbon Panel held a press conference to launch a 10-Year Campaign to End Homelessness in Los Angeles County, which is in keeping with President Bush's Initiative to End Chronic Homelessness. A key strategy of the Bring L.A. Plan is to create 50,000 units of affordable housing targeted to people who are homeless. Community Development Block Grant funding is proposed to comprise 20% of the money necessary to achieve the goal of 50,000 units.

Contributing to L.A. County's homeless problem is the County's affordable housing crisis. For example, within the City of Los Angeles, there is a 3% rental housing vacancy rate based on recent reports. Not only does this mean a tighter housing market for low-income renters, but those who are fortunate enough to receive a Section 8 voucher are finding fewer and fewer landlords willing to rent to them. To address this situation, in November 2005, Los Angeles Mayor Antonio R. Villaraigosa announced a commitment to add \$50 million, including CDBG funds, to the City's Housing Trust Fund for permanent supportive housing for Los Angeles' neediest residents.

### **Impact of the proposed cuts to housing and services for homeless people**

The CDBG funding that LAHSA receives on an annual basis has been an invaluable resource for the agency and its service providers who are working in the trenches to end homelessness. Currently, LAHSA receives about 19% of its overall budget from CDBG funding. Therefore, a proposed reduction of more than 20 percent to the CDBG program would be devastating to Los Angeles.

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To cite just one example, CDBG funded programs provide 203,188 bednights for people who are homeless in Los Angeles. Assuming a 27% cut, the total number of bednights would be reduced by nearly 55,000 bednights. These reductions would severely cripple efforts to address homelessness, especially in Skid Row, South Central and Hollywood.

CDBG funding provides a major foundation for homeless service providers as well as a major resource for Los Angeles as it seeks to implement strategies to end homelessness. The City and County of Los Angeles have made significant commitments of resources to end homelessness and collectively are moving in the same direction. Any overall reduction in CDBG funding or changes to the allocation formula which will reduce Los Angeles's share of CDBG funds will force people back on the streets and significantly impact our ability to end homelessness.

On behalf of the homeless community in Los Angeles, I thank you for this opportunity to provide testimony. We unequivocally support maintaining the current level of CDBG funding so that we will have the critical resources and federal leadership necessary to reach our mutual goal of ending homelessness.