

**Written Statement of Maria Foscarinis
Executive Director
National Law Center on Homelessness & Poverty**

Hearing on

**“Saving Taxpayer Dollars in Federal Real Estate:
Reducing the Government’s Space Footprint”**

United States House of Representatives,
Committee on Transportation & Infrastructure,
Subcommittee on Economic Development, Public Buildings
and Emergency Management

June 16, 2015

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Chairman Barletta, Ranking Member Carson, members of the subcommittee: thank you for the opportunity to testify today. My name is Maria Foscarinis. I am the founder and Executive Director of the National Law Center on Homelessness & Poverty.

The National Law Center on Homelessness & Poverty (the “Law Center”) is the only national legal organization dedicated to using the power of the law to advocate the legal rights of homeless and economically vulnerable Americans. Since 1989, Law Center attorneys have worked through state and federal courts to expand access to affordable housing, meet the immediate and long-term needs of those who are homeless or at risk of becoming homeless, and strengthen the social safety-net.

In addition to our efforts through the courts, the Law Centers operates a wide variety of programs across the country that serve the more than 3.5 million Americans; provides training and technical support for local and national homelessness assistance groups; and advocates for federal, state, and local policies to support homeless Americans.

Through this work, and together with a wide variety of partners throughout the country, we have been fortunate to achieve significant progress in meeting the needs of those who are homeless or at risk of becoming homeless, while addressing the root causes of homelessness. As a result of our efforts, we have succeeded in reducing barriers to access to school for homeless children in states including Pennsylvania, New York, Michigan and here in the District of Columbia. Similarly, we have worked to strengthen legal protections to prevent domestic violence victims and their children from having to choose between abuse and homelessness to cover over 4 million additional households. And we have helped to end laws that criminally punish homeless people for their status in cities like Boise, Minneapolis, Gainesville and DeLand, Florida.

There is much work, however, still to be done. According to most recent Annual Homeless Assessment Report to Congress by the U.S. Department of Housing and Urban Development (“HUD”), more than half a million Americans experience homelessness on any given night. Of this total, nearly 40% of Americans experience homelessness as a family. As a result, nearly one-quarter of all homeless Americans were children under the age of 18, with an additional 10% between the ages of 18 and 24. Finally, although sustained efforts across the country have meaningfully reduced the number of homeless veterans in recent years, nearly 50,000 of American veterans are currently homeless.

Homelessness remains a national crisis affecting too many men, women and children in communities across the country. Along with our many partners, the National Law Center for

Homelessness & Poverty will continue to work to strengthen programs designed to assist these most vulnerable Americans.

With this as background, and as this subcommittee considers proposals to encourage the disposal of federal real property, my testimony today will focus on a key federal program designed to assist homeless Americans – Title V of the McKinney-Vento Homeless Assistance Act.

Faced with a growing homelessness crisis in the late 1980s, President Reagan signed the McKinney-Vento Act into law in 1987. In the McKinney-Vento Act, Congress explicitly recognized that “the Federal Government has a clear responsibility and an existing capacity to fulfill a more effective and responsible role to meet the basic human needs and to engender respect for the human dignity of the homeless.” The McKinney-Vento Act was intended to expand and coordinate federal resources and programs to address the “critically urgent needs” of homeless Americans.

The Title V surplus federal property program is central to this overarching mission. Pursuant to Title V, HUD is responsible for leading a cross-agency effort to identify and make available unneeded federal properties suitable for use by homeless assistance organizations. Once these properties are identified, homeless service providers have a right of first refusal to acquire – at no cost – excess federal real property to assist the homeless.

Since the program’s inception, homeless service providers and local government agencies have acquired and used surplus federal property to provide meals, shelter, job training, childcare, medical care, substance abuse and mental health treatment for homeless Americans throughout the country. Each year, more than 2.4 million Americans receive assistance through Title V, which has provided access to nearly 500 properties – like the New England Center for Homeless Veterans in Boston, which serves over 1000 vets per year; Building Bridges in West Chester, Pennsylvania, which provides supportive housing for homeless families and serves up to 400 people at a time; and Liberty House in Phoenixville, Pennsylvania, a supportive residential facility for 48 mentally ill homeless persons that has operated for nearly two decades.

Title V is a proven vehicle for assisting America’s homeless with no cost to taxpayers. In fact, in light of the focus of today’s hearing, I want to emphasize that the disposal of federal property under Title V *saves* taxpayer dollars by reducing operations and maintenance costs associated with unused and unneeded federal properties.

Unfortunately, despite the ongoing success of the Title V program, the Law Center has identified a number of challenges that prevent federal landholding agencies from meeting their responsibilities under the law.

Most notably, as this subcommittee well knows, landholding agencies are all too willing to retain unused, unneeded, or otherwise underutilized properties for which there is no obvious public need. For example, while the Office of Management and Budget estimated in 2011 that there federal agencies held nearly 100,000 excess or underutilized properties, this total represented more than three times the number of *total* properties identified as such under Title V in the 16 years prior to 2011. With this in mind, the Law Center has worked for over two decades to push

federal agencies to identify all unneeded and underutilized properties eligible for disposal under Title V.

As an element of this ongoing effort to combat landbanking, the Law Center has pursued successful litigation in the U.S. District Court for the District of Columbia to require HUD and the General Services Administration to follow the law Congress enacted, and work with landholding agencies to identify surplus properties. Going forward, we are committed to pursuing all available avenues to ensure that federal agencies do not continue to hoard surplus property that could be put to better use to improve the lives of homeless individuals and families.

So, I can say with certainty that the Law Center understands this Subcommittee's concern that far too many surplus federal properties continue to languish. Likewise, we share your goal of streamlining the disposal of unused and unneeded federal properties. Congress should ensure that surplus properties are put to better, more productive use while reducing costs to taxpayers.

As we work together towards this common goal, the Title V process must continue to be a part of the federal property disposal process. Title V is not the cause of delays in the federal property disposal process. In fact, only those properties deemed by HUD as suitable for use to provide homelessness assistance are available for applications from homeless service providers. For this subset of surplus properties, the Title V process takes only a few months to complete.

The Law Center appreciates the need to balance the government's interest in disposing of its unutilized real property efficiently with the imperative to serve the homeless. Indeed, we have worked consistently with Congress, HUD, and other federal agencies to improve and streamline Title V.

Most recently, we have worked with this subcommittee, with Chairman Chaffetz and Ranking Member Cummings on the House Oversight and Government Reform Committee, and other interested offices to identify opportunities to strengthen the Title V program by retaining the core of the current statutory balance while making the entire process more efficient. The goal in these recommendations is not simply to increase the number of properties made available under Title V. Instead, the goal is to increase the availability under Title V of properties that would be most useful for homeless assistance.

Although this work is still underway, I would like to highlight a number of areas that the Law Center believes represent opportunities to improve the Title V program and save taxpayer dollars by disposing of property in a faster and more efficient manner.

First, under current law, federal agencies are permitted to hold onto property that is unused or underutilized for long periods of time, sometimes years. Although ongoing maintenance costs and other expenses related to these properties cost taxpayers money, the law permits agencies to keep those properties indefinitely provided they identify an ongoing governmental need for each property.

As an example of this phenomenon, in its Real Property Cost Savings and Innovation Plan, the General Services Administration described the majority of its underutilized and unused assets as not surplus, but instead as “long term holds” that are undergoing a “temporary vacancy.”

To ensure that federal agencies dispose of property that is truly surplus, federal law should require agencies to make unused, underutilized, excess, and surplus property available for homeless use once it has been vacant or unused for one year. This time limitation should apply both to the unused, underutilized, excess, and surplus buildings as well as the land upon which those buildings sit.

Further, to ensure that landholding agencies are not withholding surplus property for no good reason, where an agency determines that there exists a compelling need to retain property suitable for disposal under Title V, the agency should be required to submit a formal, written determination of such need to HUD. These determinations should in turn be available for review by the general public.

Second, the current process by which homeless service providers apply to obtain Title V-eligible properties is unnecessarily lengthy and inefficient. As a result of the current structure, meritorious applications submitted by well-established homeless assistance providers have been denied.

To ensure that the Title V application process is both efficient and fair, Congress should consider a more streamlined, bifurcated application process. Under such a process, applicants may be required first to submit key programmatic information – including the services to be offered, the need for those services, and the applicant’s experience and ability to provide those services. Only after this initial application is approved would applicants be required to submit detailed financial and budgeting materials that often constitute the most complex aspects of a Title V application.

Overall, these changes could be implemented such that federal real property for which there will not be a homeless services application will be available for sale more quickly, and those for which there is an application will be considered more efficiently.

Finally, Congress should consider reducing unnecessary bureaucratic redundancy to simplify the Title V application process. As the federal agency most directly responsible for overseeing programs to assist the nation’s homeless, HUD is responsible for the majority of the Title V process. However, under current law, the Department of Health and Human Services is responsible for reviewing and approving applications from homeless assistance providers to obtain Title V property for use in serving the homeless.

As a result, and because much of the information included in these applications is held by HUD, the application process often requires providers to work through two separate bureaucracies just to submit a complete application. This bureaucratic inefficiency is compounded by having HHS make determinations about service to the homeless, which falls more naturally under HUD’s jurisdiction and expertise. To simplify the application process, and save taxpayer dollars,

Congress should consider transferring the role that HHS currently plays in the Title V process back to HUD.

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At the Law Center, we believe that the right to a home and food lie at the heart of human dignity and we envision a world where no one has to go without the basics of human survival. Title V is a critical element of this vision, and I urge this subcommittee to work together to ensure that any proposed modifications to federal property disposal programs preserve and enhance this essential program.

Thank you for inviting me to testify today. I look forward to your questions.