

Good afternoon, Madam Chair and Members of the Committee. My name is Margaret Barbour. I am Housing Resources Director for the Amador-Tuolumne Community Action Agency and co-leader of the Central Sierra Continuum of Care for Homeless Services and Housing. We are deeply honored today to be in the company of those who take seriously the national shame of homelessness. We bring before the Committee a look at the unique aspects of rural homelessness and the challenges encountered in trying to reduce and end homelessness in the Sierra foothill counties of Amador, Calaveras and Tuolumne.

I'm going to take a wild guess that some of you may not have heard of Amador, Calaveras or Tuolumne counties. They are located along the western slope of California's Sierra Nevada mountain range. They are rather small counties that together comprise about 2,000 square miles. Each county rises in elevation from 200 feet at its western boundary to 9,000 feet at the Sierra crest. Total population is just under 130,000 and the racial and ethnic composition is predominately white, at 80%, with Native Americans making up 10% and a growing Hispanic population of 10%, based on recorded births from 2007-2009. Our annual homeless surveys identify about 400 persons living on the streets and in emergency shelters. Their demographics parallel those of the general population of the counties. Some rural overlays in our surveys are the higher numbers of homeless females and preponderance of older homeless persons. Our local homeless also drink alcohol to excess far more than they use street drugs.

These Sierra foothill counties have always been rural but we've seen some vigorous economic booms with mining and logging and, more recently, Indian casinos. Today, of course, we are in an economic bust. In the past year, unemployment has increased dramatically with over 14% of the workforce idle. Our lumber mills have closed and retail stores such as Mervyn's, Albertson's, Ace Hardware and Gottschalk's have closed and left the area. Now the casinos have begun laying off personnel and it is likely that more than 250 additional positions will be lost in 2010. County government is also floundering; each county has laid off staff and enacted work furloughs.

The Amador-Tuolumne Community Action Agency, or ATCAA, has provided services and housing to the general homeless population since 1984. We operate two emergency shelters and 3 units of transitional living for homeless families with another 3 units opening this month. We are dependent for operations funding for these programs on the State Department of Housing and Community Development to which we owe a huge thanks.

In 2004, inspired by the research and writing of Doctor Culhane and fresh from a National Alliance to End Homelessness conference, we started a stand-alone homeless prevention program of rental assistance. Noting in the HUD regs that homeless prevention funds could also be used for mortgage payments, we persuaded HCD to read it that way, too, and have become very active in foreclosure intervention. Our counties experienced a 45% increase in Notices of Default and Trustees Deeds from 2008 to 2009 so we trained to become a HUD-approved housing counseling agency and we provide

free financial literacy classes throughout the three counties. We are also lead agency in HUD's new rental assistance program, Homelessness Prevention and Rapid Re-Housing.

Like virtually every rural area in the country, we do all this with a miniscule budget and minimum staff, less than \$400,000 annually. That's 8 programs for \$400,000. We do all this by relying heavily on collaborative partners and to this end in 2007 we formed the Central Sierra Continuum of Care. We developed our own 10 Year Plan for Ending Homelessness in the three counties, won HUD funding for a Homeless Management Information System in 2007 and received the maximum McKinney-Vento Continuum of Care funding for homeless housing in 2008. Putting all 3 counties pro rata share of Continuum of Care funding in one big bowl gives us a grand total of \$207,000 ... for 4 new programs. That's \$50,000 per program which is hardly doable but it's the only source of funding for permanent supportive housing we can access.

We are here today in hopes that this Committee will hear the depth of our frustration in trying to implement the housing and services that research and experience has proven will reduce and end homelessness -- with no secure funds to do it. Entitlement jurisdictions know their funding is available, which allows them to address housing needs in a strategic way, to have staff dedicated to planning, to entice other agencies and non-profit housing developers to the table. Each of our counties Behavioral Health Departments could be developing housing for their clients using funds through the Mental Health Services Act. NONE of them are, because there is no other source of guaranteed funds. All funding to non-entitlement rural counties and small cities is highly competitive and jurisdictions lucky enough to get their Community Development Grants or HOME funds have planned their use years in advance.

We are here today also because there are new, exciting policy directives on homelessness coming from HUD and we rural providers want to be a part of the planning for them so that our unique needs don't get ignored or passed over. The HEARTH Act, on page 69 of the actual document, states that there will be a study to – quote - examine homelessness and homeless assistance in rural areas and rural communities and submit a report to the Congress on the findings and conclusion of the study - end quote - but when we called HUD there was no one who could tell us who would be doing the study or how it would be conducted.

We believe that if it weren't for the persistence of the staff of the homeless programs at the California Department of Housing and Community Development, there would be very little funding for rural programs such as ours. We rurals salute HCD for its efforts to balance resources in the State and its recognition that forcing people to move to urban areas for services and housing is not an acceptable way to end rural homelessness.

As you look at solutions in the coming months, we ask that you consider these factors about rural homelessness:

1. Many rural counties have as many homeless persons per capita as urban centers;

2. It is more expensive to run programs in rural areas because they have to cover many miles and must serve geographically remote communities;
3. A higher percentage of poverty rates, especially family poverty rates, pre-dispose very low income folks in rural areas to becoming homeless;
4. Much of the housing stock in rural communities is extremely dilapidated but families will stay in a sub-standard home rather than reporting the indecent living conditions to officials because they know there is no other housing available;
5. The 3rd round of HUD's Neighborhood Stabilization Program is again excluding rural counties in California, as did the first 2 rounds. This program would have allowed us to purchase foreclosed properties, of which there are thousands in the foothills, and convert them to affordable units.

We'd like to make one last comment about the funding process for homeless programs at HCD: Would it be possible to remove the burden of having to compete for funding year after year? Our agency has received funding for more than 2 decades and yet every year we are as vulnerable as any other to losing all funding because of one error on one page of a 100-plus page application. We are guaranteed nothing. A possible solution might be to establish a base funding per jurisdiction, much as the entitlement jurisdictions are given.

There are other suggestions we'd like to make to anyone who is searching for solutions to rural homelessness and we'd love to know who is interested and will listen.

We thank the Committee for this time to speak and would be happy to provide our annual homeless surveys, shelter bed night counts, housing counseling activities and any other statistics for your review. We are available for any questions.