SETTING THE RECORD STRAIGHT: FEMA'S FAILURE TO ADDRESS LONG TERM HOUSING NEEDS OF SURVIVORS

ince the 2017 hurricanes and wildfires, FEMA has failed to meet the long-term housing needs of disaster survivors by refusing to implement proven solutions, like the Disaster Housing Assistance Program (DHAP). By providing direct rental assistance and case management, DHAP helps the lowest income survivors get back on their feet. In response to the mischaracterizations in FEMA's Fact Sheet: Myths vs. Facts - FEMA's Transitional Sheltering Assistance Program, the Disaster Housing Recovery Coalition is setting the record straight.

FEMA MYTH: FEMA is adequately meeting the housing needs of disaster survivors.

FACT: Despite the clear need, FEMA has refused to implement DHAP, which provides temporary rental assistance and wrap-around case management to help the lowest income families find permanent housing solutions, secure employment, and connect to public benefits as they rebuild their lives. Without DHAP, families have resorted to doubling or tripling up with other low income families, returning to uninhabitable homes, or paying at least half of their income on rent, putting them at increased risk of evictions and, in worst cases, homelessness. FEMA's ongoing failure to address the housing needs of low income survivors is unacceptable.

FEMA MYTH: DHAP is unnecessary, given FEMA's Transitional Sheltering Assistance (TSA) hotel program and state-administered programs.

FACT: TSA is not sufficient to address the long-term housing needs of low-income survivors. Thousands of families remain in hotels under FEMA's TSA program months after the hurricanes first made landfall, and thousands more low income families have been unable to access TSA due to financial and other barriers, including the practice of hotels charging daily "resort" fees and requiring security deposits or credit cards. At the same time, state-run disaster housing programs face significant delays and have been unable to address the full scale of the housing needs. According to FEMA, only a few hundred families are anywhere in the pipeline to be served under state-administered housing programs.

FEMA MYTH: FEMA is best suited to oversee housing solutions after a disaster.

FACT: <u>Democratic</u> and <u>Republican</u> <u>administrations</u> recognized DHAP as a best practice for disaster recovery

and determined that HUD – not FEMA – should lead on longer-term housing solutions given the agency's expertise on large-scale housing challenges, extensive experience providing housing resources, and network of state and local housing agencies. DHAP was created after hard-won lessons from Hurricane Katrina, and it has been used successfully after past disasters. Despite DHAP's proven track record, FEMA has refused to allow HUD to stand up the program. In the past, steps were taken to stand up DHAP as soon as two weeks after a disaster.



Flooding damage and recovery in Houston, TX. Photo: Revolution Messaging/Arun Chaudhary

FEMA MYTH: DHAP is ineffective and costly.

FACT: DHAP is far more cost-effective than reimbursing hotels under FEMA's TSA program. In 2017, the average annual cost to provide direct rental assistance was \$8,223 per household, or \$685 per month. In contrast, the typical annual cost to provide hotel accommodations under government contracted rates was \$43,800¹, or \$3,650 a month. The federal government could have saved an estimated \$142 million by providing DHAP to the more than 6,000 families who have been living in TSA hotels for eight months. These savings could have been used to provide DHAP to more than 3,200 additional families in need of a stable home while they rebuild their lives.

Moreover, solutions like DHAP are <u>three times less</u> <u>expensive</u> than the cost to local governments to respond to increased homelessness.

¹ This assumes a daily hotel cost of \$120 per night. In 2017, the U.S. General Services Administration (GSA) hotel per diem was \$114 in Orlando, Florida and \$135 in Houston, Texas.