

Monday, February 17th, 2020
Testimony of ADVOCAP, Inc., in support of the Wisconsin Opportunity Act
Assembly Bill 508

About ADVOCAP, Inc.

ADVOCAP is a Community Action Agency serving Fond du Lac, Green Lake and Winnebago Counties. Our mission is to “create opportunities for people and communities to reduce poverty and increase self sufficiency.”

Issues and Response

Affordable housing is a recognized need through out Wisconsin. With nearly 4,500 homeless persons in the state of Wisconsin, locating and providing safe and decent housing options to a vulnerable population is a critical need.

Providing services and rental assistance is a large focus of ADVOCAP. We currently are operating \$1.39 million dollars of homeless programs that provides case management as well as leasing and rental assistance. \$570,000 are funds granted through the State of Wisconsin. Both HUD and the State funding comes through a competitive application process, that has been virtually flat funded for over 15 years.

We currently are assisting 102 households through all of our existing program. However, we current have 132 adults without children, 47 adults with children and, 112 children on our wait list, for a total of 179 households and 291 people.

Federal funds comes many regulations and expectation. Specifically, HUD requires that all agencies engage in Coordinated Entry. Coordinated Entry is the utilization of an assessment tool to rate a persons vulnerability to death on the street, and to create a prioritization list for programming. If one person has been in shelter for 30 days, and is on the Coordinated Entry list, a person who enters the shelter at a later date may score in a higher vulnerability level, and receive housing assistance sooner. The original family may never come to ‘the top of the list’ in order to receive assistance, and become more vulnerable as they may loose shelter, loose employment or are unable to secure employment due to shelter hours, families may be separated, and additional stress and trauma is placed on the family.

Although the concept and protocol insures that the most vulnerable people are provided assistance first, the down side is that persons who have less barriers are left without any programming that could assist them with short term case management and leasing or rental assistance. The result is the persons with less barriers become more vulnerable, and experience more trauma as their homeless episode continues. Some people are able to be assisted with diversion or Tenant Based Rental Assistance, however, that does not come with case management that helps connect households to resources. Some counties have resources outside of homeless programs to help homeless persons navigate the resources, yet many do not. What has been proven is that one size fits all housing programs are not able to fit every community the same way.

Some communities do not have homeless shelters or domestic violence shelters. In our area, Green Lake county only has hotel vouchers to assist persons who present homeless. By utilizing the Housing First model, it is our mission to have people move into stable housing as quickly as possible, so that households can stabilize. However, if the family doesn’t have a lot of barriers such

as evictions or legal issues, we only have community emergency resources to help them with a portion of their first month rent. If there were flexibility with the local CoC's being able to provide Housing Assistance Program funds on a short term basis, along with the case management, the household could be stably housed, and be able to find or keep employment, allow seamless schooling opportunities for children, and effectively assist those in crisis.

Comments on Legislation:

ADVOCAP requests support for the passage of Assembly Bill 508, and to increase the Housing Assistance Program funding by \$900,000 annually. Organizations like ADVOCAP would be able to serve literally three times the number of households as we currently can with the current \$300,000 budget. ADVOCAP's current HAP funds are approximately \$20,000 annually. The number of actual households we can assist with these funds varies, based on the size of the household, and the amount of Fair Market Rent. It also varies due to the income of the household, as each household is required to contribute 30% of their income towards their housing costs.

Further, ADVOCAP recognizes that the funds for this bill would come from General Purpose Revenue, and request that the State sees the wisdom in providing as much flexibility in the use of these funds. Having the capacity to divert from pulling every participant in their programs from the the Coordinated Entry system, would allow the local CoC's to address their specific local needs ADVOCAP would suggest that the maximum possibility flexibility at the local level be allowed to assist us in ending homelessness in Wisconsin by allowing local continuum to directly address the needs of their particulate area.

Housing Programs Operated by ADVOCAP in Fond du Lac, Winnebago and Green Lake Counties

HUD funded Transitional Housing – rental assistance and supportive services program for up to 24 months. This grant has been grandfathered, as Transitional Housing isn't typically a funded program for the past five years.

HUD funded Permanent Supportive Housing (PSH)- leasing program and supportive service for persons who are chronically homeless and present with a disability, with an unlimited time frame to provide leasing dollars and case management;

HUD funded Rapid Rehousing (RRH) the a rent assistance and supportive services program for persons who have fewer barriers, and has a maximum 24 months of assistance;

HUD funded Rapid Rehousing for domestic violence survivors. VAWA protections are not limited to women, but all victims of domestic violence, dating violence, sexual assault, or stalking.

Department of Justice funded – Transitional Housing for survivors of domestic violence, or those fleeing domestic violence, dating violence, sexual assault, or stalking.

State of Wisconsin funded – Rapid Rehousing

State of Wisconsin funded – Permanent Supportive Housing

State of Wisconsin funded – Tenant based Rental Assistance (TBRA)

State of Wisconsin funded – Coordinated Intake – supportive services only.

ATTACHMENTS:

VI-SPDAT – Assessment tool for Coordinated Entry
Definition of Homelessness
Definition of Housing programs.

Monday, February 17th, 2020
Testimony of ADVOCAP, Inc., in support of the Wisconsin Opportunity Act
Senate Bill 467 & Assembly Bill 508

Submitted to the Members of the Senate Committee on Local Government, Small Business, Tourism and Workforce Development & the Assembly Committee on Housing and Real Estate

About ADVOCAP, Inc.

ADVOCAP is a Community Action Agency serving Fond du Lac, Green Lake, and Winnebago Counties with a mission to “create opportunities for people and communities to reduce poverty and increase self sufficiency.” An important program promoting our mission is the WISCAP Jobs and Business Development Program (JBD).

Issue & Response

A key component of our anti-poverty strategy is helping low income persons, including veterans, minorities, individuals with disabilities, women and others at risk to become self-employed and develop successful businesses, that will create full-time jobs for others. Many of those who are disadvantaged have good ideas, experiences and skills that can be transformed into gainful ventures that can economically benefit not only themselves and their families but also positively impact their communities. Cap Agencies create partnerships with other local economic development agencies and lenders to help businesses succeed.

To date, ADVOCAP has provided over \$2.8 million in SBA micro-loans and USDA loan funds to more than 500 low-income entrepreneurs, with a loan default rate of less than 6.2%.

In 2019 alone, ADVOCAP provided business development services to 164 clients with 58 starting or expanding a business and over 250 jobs created or sustained. There are 57 loans in the current loan portfolio and over \$1.5 million loan funds were leveraged from area lenders.

Examples of businesses that we have assisted using JBD funds:

Brick House, LLC, a downtown restaurant received Historical grants as well as city grants and bank loan funds, employs 22 people.

CH Welding, Inc., a welding company started with a small rural loan, in an 800 sq ft. space and expanded to include a large manufacturing facility and employ more than 20 workers.

Globe Mfg, Inc., a veteran entrepreneur started his business with our assistance in a garage and now owns a 20,000 sq ft building in an industrial area and employs 6 people all with wages over \$25/hour

Comments on Legislation

Since 1983, when ADVOCAP first began providing business development services, more than 1,150 persons have been helped to start businesses, these businesses created more than 3,200 jobs with a 94% success rate. Prevailing wages for those in light manufacturing/service/construction businesses have averaged \$20 or more an hour, with benefits. The WISCAP JBD program has been an invaluable resource to our agency in providing individualized training and technical assistance to our clients. The Department of Workforce Development provides \$200,600 in general purpose revenue funds per year. Community Action Agencies provide Technical Assistance to low income entrepreneurs in 40 counties. I’m here today to ask you to increase the funding to \$500,000 per year so additional entrepreneurs can be served throughout the state.

