

A PLACE TO CALL HOME

HOW THE DC AFFORDABLE HOUSING
CRISIS IMPACTS THE
CHILD WELFARE SYSTEM

A POLICY PAPER

for

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by

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EXECUTIVE SUMMARY

The District of Columbia is experiencing a crisis in the availability of affordable housing throughout the city. Lack of permanent, affordable housing can have devastating effects on children and families, particularly in the following ways related to the child welfare system:

- Lack of affordable housing can cause children to enter the child welfare system.
- Lack of affordable housing can delay or prevent reunification of children with their families.
- Lack of affordable housing creates unstable and possibly unsafe living situations for youths aging out of foster care.
- Lack of affordable housing can negatively impact the recruitment of foster, adoptive and kinship parents.

More children coming into care, staying in care, or not returning home increases the need for licensed kinship, foster and adoptive parents, many of whom, as DC residents, face the same housing challenges as the families for whose children they provide care.

The purpose of this paper is to focus attention on the critical connection between the housing crisis in DC and its impact on the child welfare system. It will highlight the negative effect the lack of affordable housing has on the recruitment of kinship, foster and adoptive parents and licensing of new foster homes, particularly in light of a recent change in DC policy to limit recruitment and licensing primarily to DC residents. Recommendations are proposed to remove housing as a trigger for entry into care, remove housing as a barrier to reunification, and remove housing as an obstacle for the successful recruitment of foster parents.

INTRODUCTION

The District of Columbia Child and Family Services Agency (CFSA) recruits and trains kinship, foster and adoptive parents, and licenses foster homes. In April 2003, CFSA implemented an internal policy restricting recruitment and training of foster parents, and licensing of foster homes to District residents only. Private agencies, which deliver the same services through subcontracts with CFSA, are still permitted to recruit and train foster parents and license homes outside of DC. The private agencies are encouraged, but not required, to place DC children in DC homes. Prior to April 2003, CFSA recruited foster and adoptive parents and licensed foster homes to provide services for District children in both DC and Maryland.

This policy change seeks to eliminate the bureaucratic difficulties that have existed between DC and Maryland in administering foster care across jurisdictional lines. The policy also implements the practice, which is gaining support throughout the child welfare field, of placing children in foster homes that are in or close to neighborhoods where their families live.

If successfully managed, this new policy could potentially minimize the trauma children experience in unfamiliar surroundings and provide continuity of education and health care services. Children living in the District also have better access to support services funded by the DC government.

However, this change of policy comes at a time when the District of Columbia is experiencing a crisis in the availability of decent, affordable, safe housing throughout the city. The struggle to find housing in the District of Columbia for families at risk of entering the child welfare system, for families whose children are currently in care, for youth aging out of care, and for families seeking to become foster parents, is daunting.

FAPAC supports CFSA in its efforts to place children within District boundaries. However, we are concerned that implementation of the policy without improvements in the availability of affordable housing could make it even more difficult to recruit foster, adoptive and kinship parents with housing that meets the requirements mandated by DC foster parent regulations.

HOUSING AND THE CHILD WELFARE SYSTEM

There is a well-documented link between unstable housing situations and entry into the child welfare system. (Housing and Foster Care: Results of a National Survey) Most of the Washington region's homeless live in DC, and many are families with children. Data clearly indicate that the problem of homelessness is not abating. (Fannie Mae Report, 2003) There are growing indications that homelessness and inadequate housing are contributing to the troubling increases seen in foster care caseloads nationally. (Housing and Foster Care: Results of a National Survey) This may occur either because homelessness or inadequate housing is the sole reason or a contributing reason for the removal of children from their homes into foster care, or because children remain in foster care when there is no residence to which they might return. (Housing and Foster Care: Results of a National Survey)

Decreased available housing, in conjunction with a changing housing market, can lead to short term homelessness, chronic or long term homelessness, and increase the likelihood of involvement with the child welfare system. A New Jersey study found that homelessness or extreme housing difficulties were the primary cause of a child's placement in foster care for over 40% of families with children in care. (Tomaszewicz, August 1985) Three separate studies have shown that as many as 30% of children in foster care could be reunited with their parents if safe, affordable housing were available. (Seth and White, March-April 2004)

There is also evidence to suggest that individuals who participate in a foster care arrangement during childhood are more likely to experience homelessness than individuals who have not been part of a foster care program. (Safety Network, September-October 1998) A 1995 study by the National Alliance to End Homelessness found that 77% of homeless parents with a foster care history had at least one child with a similar history, compared to only 27% of homeless parents without personal out-of-home care history. The intersection of foster care and homelessness is clear, and the intergenerational aspect is disturbing.

By the time children reach the age of 21, they no longer qualify for foster care services. These young adults are transitioned out of the system into independent living, and then become solely responsible for all their needs, including housing. Nationwide, the housing needs of these young adults present a special challenge for child welfare advocates. Poorly planned discharge, in concert with insufficient support of these youths' emotional and practical needs and multiple placements during their time in care clearly affects their ability to successfully live on their own. Research has indicated that youths emancipated from foster care often have difficulty achieving independent living and self-sufficiency. Discharge from foster care when youths are of an age to be emancipated but cannot return home can also lead to homelessness. (Housing Resource Manual for Child Welfare Workers, May 1997) A 1997 study of youths discharged from foster care in Wisconsin indicated that 12% reported at least one experience of street or shelter homelessness since leaving the program. (Safety Network: September-October 1998) Preliminary estimates of data reported in the CFSA 2003 Needs Assessment suggest that, on average, 40% of the approximately 115 youth that age out of care each year require additional specialized resources and supports, including transitional housing, which are not available in sufficient quantity to meet the demand.

The separation of families due solely to lack of supportive housing, although not legal in most states, occurs nonetheless. (Housing and Foster Care: Results of a National Survey) Taking children into care is expensive and can exceed the cost of providing families with adequate housing in order to keep that family intact. Annual foster care costs for the average size family of two to three children is \$47,608. The high human cost of removing children from their families and having them live in foster care is difficult to measure. Nationally, the cost of a permanent housing subsidy and supportive devices for the same family is about \$9000/year (Seth and White, March-April 2004). When siblings are separated from their families, affordable housing large enough to keep them together in one place must be available for families and kin willing to become their foster parents.

These national trends indicating a link between inadequate housing and the child welfare system have also been documented in the District. (CFSA 2003 Needs Assessment Report) Results of a research questionnaire conducted in the District by CFSA staff indicated that CFSA families repeatedly cited the need for housing. Twenty-five per cent of birth parents questioned indicated that they were homeless or living in a shelter prior to CFSA involvement. Fifty-one per cent of birth parents said they needed help in searching for affordable housing within the past six months. The Directors of the DC Neighborhood Collaboratives interviewed by CFSA staff cited housing as an important issue for CFSA families. The Family Court judges interviewed by CFSA staff believe that housing is a major reason cases are opened and why they cannot be closed. (DC CFSA 2003 Needs Assessment Report, January, 2004)

Results from a national survey of housing and foster care lead researchers to conclude that the impact of inadequate housing and homelessness on foster care is substantial enough to warrant national attention and remedies. (Results of a National Survey, p.70) To prevent the instability of frequent moves, homelessness, and the poor quality of life associated with the lack of a secure place to call home, making affordable housing available for families must become a national priority.

HOUSING IN THE DISTRICT OF COLUMBIA

Fannie Mae's 2003 report, *Housing in the Nation's Capital*, cites remarkable housing market strength in the District and a diametrically opposed increase in the number of neighborhoods with extremely high poverty rates. While this uneven distribution of prosperity occurs throughout the city, in a few cases it happens in the same neighborhood. An example of such contrasts occurs in Congress Heights, located in Ward 8, which stands as one of the city's housing production leaders, ranking among the top neighborhoods in new rental housing construction. Yet, according to the Fannie Mae report, Congress Heights is a city leader in housing code violations and household overcrowding among the poor. (*Housing in the Nation's Capital*)

The data in the Fannie Mae report suggest that displacement of poor households from a neighborhood with a booming housing market might contribute to the increased concentration of poverty in other neighborhoods. (*Housing in the Nation's Capital*) This observation was previously reported in the 2000 Census, which revealed an increase in high poverty neighborhoods in the District, partly attributed to lower-income residents being displaced from once-affordable neighborhoods into poorer ones. (*Expanding Housing Opportunities in Washington, DC, PolicyLink, Fall 2003*) Displacement of low-income residents, a side effect of revitalization, can be minimized when local economic development plans include an explicit affordable housing component. (*Promoting Regional Equity, November 2002*) Without an affordable housing component incorporated into an economic development plan, housing security for low-income residents may be at risk.

The long-term goal in DC, and nationwide, is to have a sufficient supply of affordable housing to meet the demand. The generally accepted definition of affordability, according to the U.S. Department of Housing and Urban Development (HUD) is for a household to pay no more than

30% of its annual income on housing. Families who pay more than 30% of their income for housing are considered burdened, and may have difficulty affording such necessities as food, clothing, transportation and medical care. (U.S. Department of Housing and Urban Development)

Fair Market Rents (FMRs) in the District of Columbia are \$1,039 for one bedroom, \$1218 for two bedrooms, \$1660 for three bedrooms, and \$2002 for four bedrooms. (Out of Reach 2003, the National Low Income Housing Coalition) The annual income needed to afford a one bedroom unit in DC is \$41,560, \$48,720 for a two bedroom, \$66,400 for a three bedroom, and \$80,080 for a four bedroom unit. (Out of Reach 2003, NLIHC) In order to meet the definition of housing affordability, an individual working in DC would need to earn \$19.98/hour to rent a one bedroom unit, \$23.42/hour for a two bedroom, \$31.92/hour for a three bedroom, and \$38.50/hour for a four bedroom unit in the city. Theoretically, a family with two girls currently living in a two bedroom unit, that wishes to become a licensed foster care provider for a boy, would need to earn an additional \$17,680/year to afford to rent the required three bedroom unit. Although money for board is included in the monthly foster care stipend, it is not sufficient to cover the rent increase, nor is it a dependable asset, due to the uncertain duration of any placement.

For renters with annual incomes below \$10,000, the Washington region has a shortfall of almost 40,000 affordable housing units. The supply of affordable housing meets the demands of less than 50% of the area's neediest renters. (Housing in the Nation's Capital, Fannie Mae Foundation, 2003) A minimum wage employee earns \$6.15/hour, and can afford no more than \$320/month in rent. Ironically, the average monthly cost of a reserved parking space in downtown Washington, DC is \$280. (Affordable Housing: Designing An American Asset, National Building Museum exhibit brochure, 2004)

Incomes for people living in the District have not kept pace with housing prices; from January 1999 to March 2003, the sale price of homes rose four times faster than income, and the price of rentals rose three times faster. (PolicyLink Report, Fall 2003) In addition to the increase in the cost of existing housing, there has been a loss of affordable housing units due to a variety of factors, including conversion of private market affordable rental housing to high-end rentals or condos in emerging markets, expiration of long-term government contracts for privately owned subsidized developments (Section 8 contracts operated by the DC Housing Authority), a decrease in stock of rental units subsidized by HUD, and the production of HOPE VI housing, which replaces fewer units than the number of public housing units demolished. (Housing in the Nation's Capital)

For many people, it is no longer possible to live in the District of Columbia without housing assistance. The resources of the child welfare system are strained as staff and advocates try to help families secure what minimal affordable housing that is available. Although financial assistance is available for housing through a number of federal and local programs, these programs fall far short of meeting the need. There are approximately 35,000 people on the waiting list for Housing Choice Vouchers, a program funded through the federal Family Unification Project (formerly Section 8). This program is currently 100% full. Section 8 subsidy contracts with private landlords in DC for nearly 10,000 units will expire between 2000 and 2005. (Housing in the Nation's Capital) According to the Directors of the DC Neighborhood

Collaboratives, the greatest challenge now is finding property owners who accept Section 8 vouchers. (DC CFSA Needs Assessment Report)

There are 23,000 families waiting for apartments in public housing in DC, which is currently 99% full. The total number of occupied public housing units in the region fell by 15% from 1998 to 2000, and the region's federally subsidized private housing experienced a 9% loss during the same time period. (The Affordable Housing Progress Report, p.13) The Collaborative Directors recommend that any housing resource should include incremental training on maintaining the household as well as job training. They report that many people cannot maintain housing once it is secured for them because they lack jobs or have poor financial skills. (DC CFSA Needs Assessment)

Despite the fact that the District recently revived its Housing Production Trust Fund and is devoting significant dollars to fund it, local funding for affordable housing programs in DC was \$26 million in 2004, 54% less than was spent in 1990. This reduction reflects the elimination of several locally funded programs. (DC Fiscal Policy Institute, March 2004) Federal housing programs, which are already poorly funded, could become even more limited if legislation proposing severe budget cuts in human services, including housing, is enacted.

RECRUITMENT OF FOSTER AND ADOPTIVE FAMILIES

The decreasing supply of affordable housing, coupled with the increasing cost of existing housing, affects all District of Columbia residents. Cost and supply issues place additional burdens on those families experiencing difficulty maintaining permanent housing. These burdens can be overwhelming in situations where overcrowded, substandard housing conditions or outright homelessness have actually propelled families into the child welfare system. This situation, in turn, creates a need for more foster families, who may be having their own difficulties retaining permanent homes that meet licensing standards in the District.

Since the policy of restricting recruitment and licensing to DC homes was implemented, there has been a reduction in the number of homes CFSA has been able to license. According to CFSA officials, from April 2002 to March 2003 there were 227 homes in DC licensed for adoption and 242 homes licensed for foster care. In addition, there were 172 homes licensed to operate in Maryland and four licensed to operate in Virginia.

From April 2003 to June 2004, there were 221 homes licensed for adoption, a reduction of six homes, and 218 homes licensed for foster care, a reduction of 24 homes. The major change from 2003 to 2004 is the absence of new homes being licensed in Maryland and Virginia. Given the high costs and decreased availability of housing in DC, it seems unlikely that 206 additional new homes will be licensed to compensate for the inability to open new homes in Maryland and Virginia.

Increasing placement opportunities for children in the wards from which they were removed is a complicated undertaking. According to a CFSA report, over 50% of substantiated referrals of children from homes/situations for abuse and neglect originate in Wards 7 and 8, which are also

the neighborhoods with the highest poverty rates. The neighborhoods with the highest poverty rates may not have an adequate supply of affordable housing that could easily meet CFSA licensing requirements. Thus, trying to maintain neighborhood proximity for placement of children from high poverty areas may be quite difficult, given that families wishing to become foster parents who live in the same area would be dealing with the same expensive housing market, and may have similar difficulties accessing services, as the birth families.

REQUIREMENTS FOR LICENSING A FOSTER HOME

As of December 2003, there were approximately 2900 children in the foster care system in the District of Columbia. Of those children living in foster homes, over half were living in Maryland, a very few in Virginia, and the remainder in DC. Other children live in group homes or residential treatment facilities located in and outside of the District. (CFSA Resource Development Plan, 2004) Despite innovative efforts to recruit foster parents, the number of non-kin foster homes continues to decline, even as the placement of children in foster care is increasing. One factor that makes it difficult to recruit and retain non-kin parents is the high cost of housing. (Children, Families and Foster Care, The Future of Children, Winter 2004) Housing shortages affect kin families as well. Licensing requirements are the same for both kin and non-kin homes. When the placement involves several siblings, housing size can prove to be a barrier.

In order to be licensed as a provider of foster care, homes must meet the criteria set forth in Chapter 60 of Title 29 of the District of Columbia's Municipal Regulations for foster homes. There are many regulations for the general physical environment that foster, kin and adoptive parents are required to meet, but the following are general categories specifically applicable to housing:

- ♣ Square footage required for each child
- ♣ Number of bedrooms
- ♣ Limits on the number of children in a bedroom
- ♣ Specifications on bedroom occupancy (e.g., no child over the age of five years can share a bedroom with a child of the opposite gender, and no child over the age of eighteen months may share a room with an adult)

In addition, homes or apartments must be inspected for the presence of lead. The residents of those homes or apartments that fail lead inspection but meet income eligibility guidelines can have abatement paid for through a joint DC Department of Health (DOH)/Department of Housing and Urban Development (HUD) grant. Families that are not eligible for grant monies must pay for abatement themselves. The cost of abatement can be prohibitive and can terminate the licensing process for otherwise well-qualified families. Since many homes in DC were built and painted before the advent of lead-free paint, this requirement has a significant, negative impact on the success of recruitment efforts.

Prospective foster and adoptive parents must pass the lead inspection, have adequate space and number of bedrooms, and meet all other licensing requirements. The results of the lead inspection and the average number of bedrooms, although not directly correlated, appear to be

indirect indicators of the cost, quality, size and supply of housing available in DC. These factors play a significant role in determining the number of families successfully recruited to provide foster care.

Shifting demographic trends in the District are also having a negative effect on recruitment. In recent years, the cost of housing and the type of housing available (i.e., smaller dwellings with fewer bedrooms but larger living space) are attracting more singles, couples without children and empty nesters. Choices in housing for potential renters/homeowners are controlled by the type of housing currently available and by the type of housing being designed and built. (Kannan, Shyam, 2004). If the housing market in DC is being geared to individuals and couples without children, families with several children will have even more limited choices. These families may be forced to move out of the District, which could decrease the pool of potential foster and adoptive parents.

RECOMMENDATIONS FOR ACTION

FAPAC is encouraged by the creation within the District government of the Comprehensive Housing Task Force. We call upon this Task Force to forge solutions that minimize the impact of inadequate housing on entry into and exit from the child welfare system. The success of CFSA's new policy regarding licensing of foster homes depends on the commitment and support of the entire District government. FAPAC urges all interested parties to work together to ensure that prosperity and growth spread to all wards in the city.

FAPAC recommends that actions be taken by the DC government and the child welfare community in the following key areas:

- Establish a work group within the Mayor's Comprehensive Housing Task Force, consisting of experts in the housing field, business and development leaders, and members of the child welfare community, to raise awareness throughout the city of the impact of the affordable housing crisis on the child welfare system, and to develop creative and effective solutions.
- Support CFSA's action steps described in their Resource Development Plan for Foster and Adoptive Parent Recruitment, specifically using flexible funds to help parents pay for housing adaptations to meet licensing requirements, and strengthening data tracking capacity.
- Work with DC government housing professionals and local affordable housing experts to develop a comprehensive strategy for increasing the supply of affordable housing.
- Design strategies to assure that affordable housing is available and accessible to families at risk of child removal or delayed

family reunification due to lack of adequate housing or homelessness, and to families and kin wishing to become foster parents.

- Identify and analyze neglect cases where housing may have been a trigger for entry into care, or is a barrier to reunification, and collect data on outcomes.
- Work with DC housing and child welfare staff to design programs and identify federal and local funds for lead abatement, as well as other accommodations needed to bring homes and apartments of families wishing to become foster parents into compliance with DC regulations.
- Provide cross training to the housing community and the child welfare community to increase awareness about the connection between housing and foster care and to develop joint strategies to meet the affordable housing needs of DC families.
- Include representative of child welfare agencies and neighborhood collaboratives in the development of consolidated housing plans.

CONCLUSION

While many factors affect a household's stability, affordable housing is at the heart of what is needed to prevent families from becoming homeless, and to move people out of shelters and off the street. (The Affordable Housing Progress Report, April 2004, p. 46) Lack of permanent, affordable housing that meets minimum standards can increase the number of children entering the child welfare system, can extend the time children remain in care, and can delay or prevent reunification with the child's family. Poverty-based homelessness or inadequate housing with no evidence of willful neglect or uncooperative behavior on the part of the parent should not be a reason for foster care placement or for keeping a child in foster care. (National Survey, p. xiii)

The lack of affordable housing in DC and the decrease in federal and local housing assistance have created a crisis for the parents of children who end up in care and have created barriers for people desiring to become foster parents. More children coming into care, staying in care, or not returning home increase the need for licensed foster families, many of whom, as DC residents, face the same daunting housing challenges as the families for whose children they provide care. Foster homes in DC with adequate space to keep sibling groups together are very scarce. Even when foster care for sibling groups is being provided by family members, they are still required to meet DC foster care regulations, yet it can be difficult to find homes with adequate space. Youth aging out of care and seeking housing on their own face extraordinary challenges if they wish to continue living in DC.

For the current economic boom to result in healthy, vibrant communities in all quadrants of the city, the housing needs of all DC residents, especially DC's most vulnerable children and families, must be addressed.

A comprehensive, coordinated approach by the many dedicated experts, staff, advocates and parents throughout the city is the only way the housing crisis in the District of Columbia as it relates to the DC child welfare system will be successfully resolved.

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