

Housing Facts & Findings

SHARING KNOWLEDGE ABOUT HOUSING AND COMMUNITY DEVELOPMENT ISSUES

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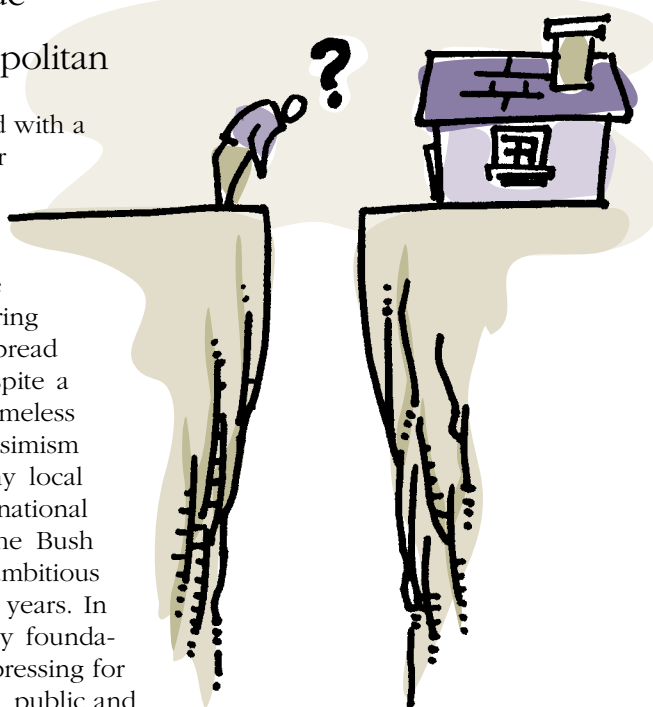


New Strategies and Collaborations Target Homelessness

By Dennis P. Culhane

Homelessness is back in the news, and is receiving increased attention from policy makers. Some communities have experienced a surge in homelessness, attributed to the slowing of the nation's economy alongside continued strength in metropolitan

housing markets. New York City, faced with a record number of families in its shelter system this summer, drew the wrath of advocates when it opened a homeless intake center in a former city jail. In San Francisco, the issue became a major focus of debate during the recent mayoral election, as widespread street homelessness has persisted despite a decade of investments in the local homeless service system. Yet contrary to the pessimism that these examples may invite, many local communities have recently joined national advocacy organizations, as well as the Bush administration, in embracing the ambitious goal of "ending homelessness" in ten years. In some cases they have been joined by foundations and local business coalitions in pressing for more, and more strategically deployed, public and private resources to combat the problem.



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The Faces of Homelessness Prompt a Call to Action in Indianapolis

By Mayor Bart Peterson



A family's breadwinner is laid off, forcing them to move in with relatives or friends. A parent cannot make the rent payment and arrives at a shelter with young children in tow. Scenes like this play out every day in cities all over this country.

The city I serve is not immune to this national shame: pervasive homelessness in the richest country in the world. On any given day in Indianapolis, more than 3,500 people are homeless. Approximately 15,000 people are homeless at some point during the course of a year, 30 percent of whom are children. And, 45,000 people are at risk of homelessness each year.

The 1990s were a decade of unprecedented prosperity. What are we prepared to invest in the lives of those who did not share in that prosperity?

Last spring, the Indianapolis Housing Task Force released its Blueprint to End Homelessness—a comprehensive 10-year strategic plan that is a call to action for our community to work together more effectively to stem the tide of homelessness in this city.

Task force members and hundreds of citizen volunteers—homeless neighbors, national experts, elected officials, and others—diligently collaborated to develop this plan. They examined the entire continuum of care and proposed aggressive steps to help our neighbors find homes

that they have lost, and just as important, to prevent families and individuals from becoming homeless in the first place.

The Blueprint contains several proactive components, including helping 2,100 households obtain or retain affordable, stable housing within the first five years. It proposes to streamline and link services and funding, uses a “strengths-based” approach that engages people who receive assistance by capitalizing on their skills and interests, and strives to prevent homelessness for those at-risk by providing access to medical and child care.

It is an ambitious plan, yet grounded in reality. A number of experts have labeled our plan a model for other cities to follow.

Indianapolis has already begun to energetically put the Blueprint into action. Perhaps this energy signals the natural next step in our evolution as a city. While our city offers a great quality of life for most, when we look around and see the many faces of homelessness it shakes us out of complacency and prompts us to act.

I encourage you to read the Blueprint at www.chipindy.org. Or, contact the Coalition for Homelessness Intervention and Prevention—the organization charged with implementation—at 317-630-0853 for a copy.

Bart Peterson is the Mayor of Indianapolis.

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Why America *Can* End Homelessness in Ten Years

By Nan Roman

Does homelessness have to exist? It may help to recall that widespread homelessness has not always been a feature of our national landscape. In fact prior to the 1980s, when there was an adequate supply of affordable housing, homelessness was a relatively minor problem. The emergence of homelessness mirrors the increasing mismatch between the number of extremely low income households and the number of housing units available and affordable to them. Exacerbating the problem, safety net programs that are meant to support such households have not sufficiently adjusted to the increasing housing crisis. While housing is the key to homelessness, we at the National Alliance to End Homelessness believe that we can do a better job of addressing the issue even while we are working to solve the housing affordability crisis.

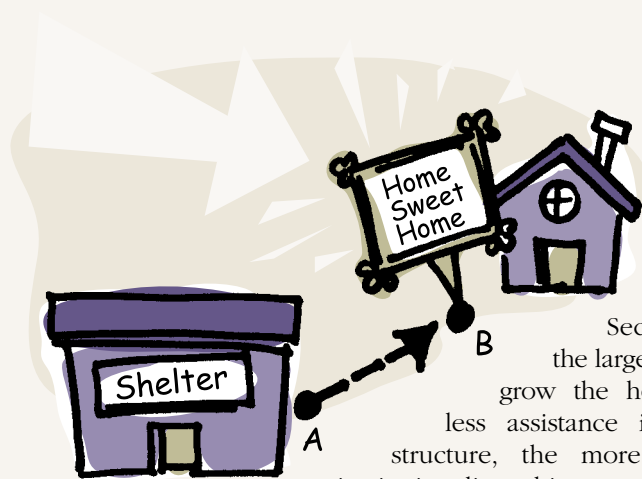
Over the past 15 years we have developed a national infrastructure of shelters, soup kitchens, health clinics, and transitional housing that can largely manage people while they are homeless. But this system is unlikely to end homelessness because it does not address the front-end causes or the back-end solutions to the problem. As a nation we can continue to fine-tune and improve our management of people's experience of homelessness. Or we can re-tool our approach and try to end homelessness.

Emerging research on the nature of the problem has led the National Alliance to End Homelessness to believe that our nation is at a turning point on this issue and that it does, indeed, make sense to focus on ending homelessness. Two reasons stand out.

First, we can now break homelessness into manageable pieces and populations. Rather than seeing the problem as a monolithic and unmanageable whole, research allows us to see it as a series of discreet and solvable problems for which distinctly different approaches can be crafted. Generally, analysis distinguishes between chronically homeless people, a relatively small and fixed population (200,000 – 250,000 people) who need permanent supportive housing, and the preponderance of people who experience homelessness for a much shorter period of time. This latter group—several million people per year, about half of which are families and half single adults—uses the

homeless system as an interim housing strategy to address their immediate housing crises. An adequate supply of affordable housing would eliminate their problem, but as this is unlikely to be achieved in the near term, we must implement strategies to help these households be more competitive in the increasingly tight housing market. Further, they should be linked to appropriate social welfare programs that can address their need for increased income.





Second, the larger we grow the homeless assistance infrastructure, the more we institutionalize this response.

This, in turn, allows—indeed, even encourages—other social support systems to neglect people with the most serious and complex problems. The mental health, substance abuse, child protective services, and criminal justice systems have little incentive to serve the very poorest people with the most intractable problems if they know that, ultimately, the homeless systems will serve them. Unfortunately, the homeless assistance system has neither the resources nor the ability to really solve these people’s problems. It simply manages the failure of the other systems.

Based on this analysis, the Board of Directors of the National Alliance to End Homelessness feels that it is a critical time to reexamine and reform the systems that cause, manage, and end homelessness. Looking strategically at resources, it believes that we can reverse the incentives in mainstream systems so that rather than causing homelessness, they are preventing it. And we can make the homeless assistance system more outcome-driven by tailoring solution-oriented approaches more directly to the needs of the various subpopulations of the homeless population. In this way, homelessness can be ended within ten years.

Clearly, the challenge of ending homelessness is a formidable one. But cities and states around the country have taken up the challenge to develop and implement plans to end homelessness. Indianapolis Mayor Bart Peterson initiated an effort to design a comprehensive plan, resulting in the Blueprint to End Homelessness in Indianapolis. Chicago, New York City, Memphis, and many other cities are approaching the task in a new way. Even the federal government has gotten on board. In its 2003 budget, the Bush administration proposed ending chronic homelessness in ten years.

Ending homelessness won’t solve the housing crisis. It won’t end poverty. What it can do is ensure that everyone in our nation has a roof over their heads so that they can move on to the other business at hand. Isn’t that a worthy goal of the best-housed nation in the world?

Nan Roman is Executive Director of the National Alliance to End Homelessness.

HOMELESSNESS from pg. 1

What has changed? Several developments characterize the increased focus on ending homelessness:

- Recent research on homelessness has helped to identify effective solutions, thus making the problem more manageable.
- Leadership by federal, state, and local policy makers has stimulated action at all governmental levels.
- Involvement of the private sector, including through public-private partnerships, has helped to rally support for efforts to end homelessness.

While these developments suggest progress is being made, several problems on the horizon, left unaddressed, threaten to undermine many of the gains that are hoped for, and will require careful monitoring.

Research Contributes to a Shift in Policy Focus

Research on homelessness has helped policy makers and advocates to understand what really works and thus to refocus public policy to more effectively address “chronic” or long-term homelessness among single adults. Studies document that as few as 15 percent of the single adults who experience homelessness do so repeatedly or for a year or more, but account for 60 percent of the emergency shelter system’s expenditures. An estimated 200,000 to 250,000 single adults in the United States are “chronically homeless.” Nearly all are disabled by behavioral and physical health conditions, and many are extensive users of other acute care service systems.

“Supportive housing”—permanent housing with attendant social services—was in the past often considered prohibitively expensive, but has emerged as a good investment because it is shown to substantially reduce the use of other publicly funded services. For example, New York City established a comprehensive supportive housing program for homeless people with severe mental illness. A major study of the program calculated that long-term homeless people with severe mental illness used an average of \$40,500 a year in public shelter, corrections, and health care services. For those placed in the permanent supportive housing program, the reduced use of acute care services nearly offset the costs of the supportive housing. Evaluations of similar programs nationally have found that most supportive housing programs for homeless people with mental illness boast retention rates of 80 percent up to one year following placement, while leading to significant reductions in hospitalizations and shelter use.

Research is also influencing the approach to homelessness among families. Evaluations of subsidized housing programs have found very high success rates for nearly all the

homeless families placed, even those who previously experienced long homeless spells. Two studies in New York City found that 92 percent of families who exit shelter with subsidized housing placements remain housed two years after placement. An experimental study found that follow-up case management services in New York did not improve retention rates compared to subsidies alone. While shelter-based services and post-discharge services may provide an important value to some families, the rental subsidies alone appear to solve their homelessness. These successes raise questions about the validity of the “housing readiness” concept, which has been used to justify the enrollment of families in costly service-intensive shelter and transitional housing programs for up to two years.

Research provides little evidence that welfare reform is causing an increase in family homelessness, as was predicted by the legislation’s critics in 1996. One recent local study found that changes in unemployment and rental housing costs, not welfare caseloads, were the significant factors associated with shelter admission rates among families. (Thus, concurrent increases in both unemployment and housing costs provide a plausible explanation for recent spikes in family shelter admissions in some cities.)

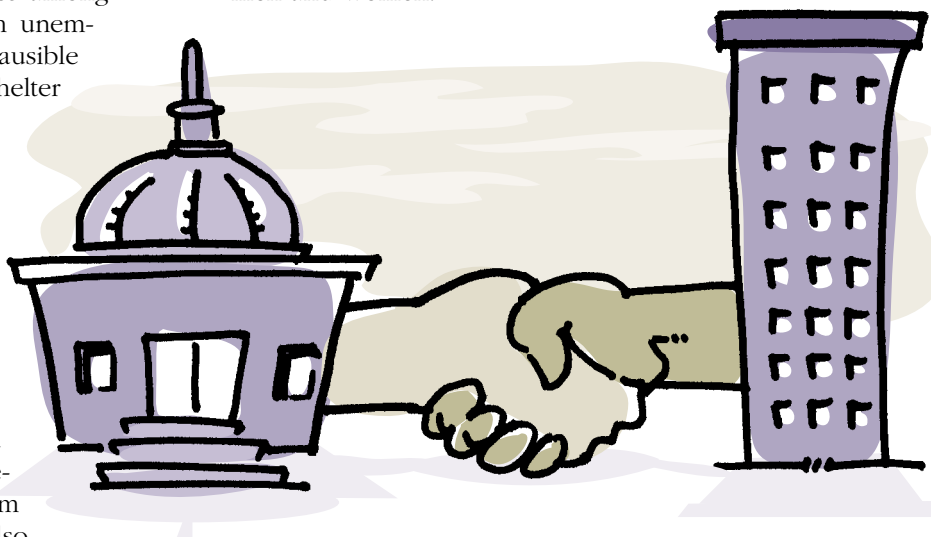
Shifting Federal Policy

The Clinton administration significantly changed federal efforts to address homelessness. The U.S. Department of Housing and Urban Development’s (HUD’s) Continuum of Care policy promoted local coordination, filling gaps in service availability, and much-needed increases in resources. But this policy approach bore a risk: the systematic substitution of the “homeless system” for gaps in the larger mainstream social service systems. Improved facilities also risked creating incentives for longer stays in homeless programs. Priority for federal housing assistance for people in homeless facilities also risked attracting individuals and families who had no other realistic options for obtaining such assistance. (This federal preference was dropped in 1998, but many localities have maintained it, in part to keep people moving through shelter systems that would get log-jammed without it.)

In the latter years of the Clinton administration, the Republican Congress initiated a shift in policy. Based on the emerging evidence from research, and urged by some national advocacy organizations, Congress took steps to stop the slide of HUD homeless funds away from housing and toward services. It required that one-third of

McKinney-Vento Act funds be used to provide permanent supportive housing for the homeless with disabilities. Although the annual renewal of existing service-oriented programs keeps the funding balance heavily tilted toward services, the new priority is putting housing programs at the top of the queue among new projects in many communities. Unless these housing programs can continue to be renewed outside the McKinney-Vento appropriation, however, the ability to add new supportive housing units will be constrained, and will hamper efforts to meet the Bush administration’s ambitious goal of “ending chronic homelessness in ten years.”

HUD Secretary Mel Martinez has, like his two predecessors, made homelessness one of the agency’s top priorities. “Solving the challenge of homelessness demands more than simply moving individuals off the street and into shelters,” Secretary Martinez said in his 2003 budget message. “It requires investing in permanent solutions that decrease the number of homeless men and women.”



The Secretary has demonstrated his intent to work toward fulfillment of the Bush goal by creating a new multi-agency initiative (funded at \$35 million this year) with partners in the departments of Veterans Affairs and Health and Human Services (HHS) to provide more supportive housing for the chronically homeless. The administration’s commitment is further demonstrated by its regeneration of the U.S. Interagency Council on Homelessness. Philip Mangano, a former homeless advocate from Massachusetts, whose primary focus there was getting mainstream service systems (public departments of corrections, mental health, foster care, and substance abuse) to reform their discharge planning practices, was appointed Executive Director of the Interagency Council.

Another development at the federal level is congressional action to require more systematic monitoring of homeless program use to measure results. Federally funded programs that target the homeless must implement “homeless management information systems” by 2004. Such systems have already been successfully implemented in more than a dozen jurisdictions, and have enabled those areas to systematically measure the number of people served in the homeless system, their characteristics, and the amount of time they stay in the homeless system. As a result of the congressional mandate, this capacity will be enhanced across the country, enabling an annual assessment of how local systems are faring in achieving goals.

States and Local Governments Plan to End Homelessness

Prodded by the National Alliance to End Homelessness’s “Ten Year Plan to End Homelessness” (see article on pg. 3), local and state governments, service providers, and advocacy groups are developing their own plans to end homelessness. Indianapolis Mayor Bart Peterson is one of the local leaders challenging his community to make the fight against homelessness everyone’s business. “The plight of these vulnerable families affects the broader com-

Obtaining resources to implement state and local plans remains a challenge. While an increased federal role is certainly necessary, some states are also examining what they can do in the area of housing and housing support services. New York and Massachusetts have both made investments in supportive housing for homeless adults. States are also addressing the problem of homeless families. At least nine states (Connecticut, Kentucky, Maryland, Minnesota, New Jersey, North Carolina, Michigan, Virginia, Pennsylvania) have tapped Temporary Assistance for Needy Families (TANF) surpluses to fund homelessness prevention or housing relocation. Federal restrictions on how much and how long TANF funds can be used to support families with housing emergencies limit what states can do, so advocates are pressing for greater flexibility.

The Private Sector Engaged

Private-sector support is increasingly important in the fight against homelessness. Some local business organizations, interested in reducing visible street homelessness in commercial corridors, are working with traditional service providers to expand street outreach programs and connect the street homeless to services.

“... many successes have been achieved because the states played a key leadership role...”

munity and all concerned citizens of Indianapolis,” Mayor Peterson has said. “Homelessness and the lack of affordable housing contribute to children failing in school, family violence, and loss of employment.”

Paralleling the new federal themes, the typical local plan embraces three broad goals:

1. Moving people who experience long-term homelessness and who have disabilities into permanent supportive housing.
2. Preventing new persons from entering homelessness, especially those already involved in mainstream social welfare systems.
3. Moving people who experience homelessness much more rapidly back into permanent housing (minimizing their stay in the homeless system).

Some plans are following the example of Columbus–Franklin County, Ohio, which has emerged as a national model for strategic planning and implementation. The Columbus effort achieved success in part because it included local government and business leaders in the planning process, and used careful data analysis to make its case for new funding and an outcome-oriented redirection of existing resources.

In New York and Philadelphia, Business Improvement Districts (BIDs) are working to improve the way the police and the courts handle quality-of-life crimes by the street homeless, including through the use of restitution, treatment alternatives to incarceration, and placement in housing programs. In Washington, DC, the Downtown BID established the Downtown Services Center, a drop-in center that offers comprehensive, coordinated programs and services to the homeless. Both local government agencies and nonprofit organizations participate as service providers. The BID foots the bill for the facility and overall coordinating expenses, and trains its employees to provide outreach services to homeless people on the streets. The International Downtown Association prepared a report for HUD titled *Addressing Homelessness: Successful Downtown Partnerships* that presents case studies, including the DC BID example, of responses to homelessness in America’s downtowns. The report is intended to help local leaders “...find tools and techniques that fit their local circumstances...” to address homelessness.

Foundations are also playing a leadership role, such as by underwriting the costs of local “blueprints” or convening local funders to partner in implementation. Several founda-

tions are also using their resources to promote national policy changes and the greater engagement of philanthropy, including the Schwab Foundation, the Hilton Foundation, the Melville Charitable Trust, the Butler Family Fund, and Fannie Mae Foundation.

Challenges

These activities support a sense of optimism that progress is being made in the effort to reduce or end homelessness. The focus on solution-oriented approaches in particular, over expanded emergency and temporary accommodations, has brought fresh enthusiasm to the effort. But these plans to “end homelessness” are extremely ambitious, requiring major changes to a variety of famously intractable social welfare and other public systems, not to mention significant allocation or reallocation of resources. And the pitfalls are many—political and economic constraints can limit implementation, unintended consequences can undermine achievement of goals, and external forces can overwhelm the best of intentions.

With respect to implementation challenges, although the Bush administration’s intent has been clearly stated, HUD has not been given the housing resources to achieve the goal of ending chronic homelessness in ten years. And HHS—which many hope will provide the service funding so HUD can put its resources into housing—has not articulated its plan to pay for the services to accompany the housing. Moreover, given that many successes have been achieved because the states played a key leadership role, a successful national effort may have to be advanced on 50 fronts, not just one. This is daunting, particularly given that state-level policy making and expertise in this area is uneven in presence and effectiveness. Reformers may also face resistance from some local service providers. Providers who have developed services infrastructures dependent on HUD McKinney-Vento funds for survival may resist shifting resources away from their activities. New resources could help to avoid the conflict. But, for better or worse, the homeless “system” now has its own bureaucracy and defenders.

Even more threatening are the forces that could overwhelm the homeless system from the outside. Homelessness is essentially a residual phenomenon. Most local homeless service systems are quite modest in size, relative to the larger social welfare bureaucracies, and they are not the masters of their destiny. Even small changes in the practices of the larger social welfare systems can have huge impacts on demand for shelter. Several of these larger players pose a particular threat—corrections and foster care, to name only two examples. In either case, large numbers of discharges could increase demand for emergency shelter if the main-

stream systems do not deploy necessary “aftercare” resources.

Finally, as always, extant factors in the economy that are beyond the reach of the social welfare system can threaten the best of plans to reduce homelessness, as witnessed in some cities this year. The dual forces of increasing unemployment and increasing housing costs, which are exacerbating the affordable housing crisis, could drive increases in family homelessness in particular, regardless of reforms undertaken in the homeless system. The prospect of increased homelessness could be seen as forcing a choice upon federal, state, and local policy makers: Should more shelters be built to accommodate increases in housing emergencies among poor families, or should a more systematic prevention effort be established, perhaps within the TANF program, that provides transitional or emergency rental assistance to families in crisis? Of course, the possibility of continued increases in homelessness, including among working people and heads of family households, should also focus more attention on the production of affordable housing. Given the challenges communities typically face in siting new homeless programs (NIMBYism, or a “Not In My Backyard” attitude), it may be time to ask that question before taking on the struggles of siting and paying for more homeless facilities.

Conclusion

As homelessness experiences renewed attention, there is reason for hope that substantial progress can be made. Within the homeless system, new priorities for solutions are being established, coalitions among private and public partners are being formed, and a more general appreciation of the value of supportive housing for the chronically homeless has inspired new commitments. But new resources will be required to make these commitments real. A greater understanding of the role that the larger mainstream social welfare systems can play in mitigating the risk for homelessness has also inspired homeless advocates and policy makers. But it remains to be seen whether the mainstream systems will pay attention to homelessness, or will agree to focus resources on their “aftercare” responsibilities. In the end, it is not enough that the homeless service system decides to reform itself, or reorient its priorities. Homelessness is a product of larger crises in affordable housing and in social welfare, and without commensurate reforms in those arenas, successful reforms in the homeless service system could be easily undermined.

Dennis P. Culhane is Associate Professor of Social Welfare Policy at the University of Pennsylvania.

RESOURCES

Web Sites

National Alliance to End Homelessness: Facts and statistics, success stories, best practices, links, and more (www.naeh.org)

Corporation for Supportive Housing (www.csh.org)

The National Law Center on Homelessness and Poverty has an Education of Homeless Children and Youth Project, among other programs (www.nlchp.org)

U.S. Department of Housing and Urban Development; click on "Library" for a list of publications on homelessness topics (www.hud.gov)

Interagency Council on Homelessness (www.ich.gov)

National Coalition for the Homeless (www.nationalhomeless.org)

The Melville Charitable Trust is a philanthropic organization working to find and fight the causes of homelessness (<http://melvilletrust.org>)

Fannie Mae Foundation's annual Help the Homeless Walkathon supports homeless service providers in the Washington, DC metropolitan area (www.helpthehomelessdc.org)

Articles and Reports

National Public Radio's year-long reporting project "Housing First" includes significant coverage of homelessness (www.npr.org/news/specials/housingfirst)

"Public Service Reductions Associated with Placement of Homeless Persons with Severe Mental Illness in Supportive Housing" by Dennis Culhane, Stephen Metraux, and Trevor Hadley published in *Housing Policy Debate* (www.fanniemaefoundation.org/programs/hpd/v13i1-culhane.shtml)


Insight

One of the saddest impacts of homelessness is its effect on children of homeless families. Studies show poor school attendance and poor learning outcomes among homeless children. The "No Child Left Behind Act" signed by President Bush in January 2002 includes new provisions, under the McKinney-Vento Act's Education of Homeless Children and Youth Program, to ensure that homeless children have equal access to education. Some federal funds are available to help states and school districts achieve that goal. (The National Law Center on Homelessness and Poverty is a good source of information on this topic: www.nlchp.org)

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