

Ending homelessness. A pipe dream or a reality?

The following is an excerpt from a speech by Nan Roman, president and CEO of the National Alliance to End Homelessness. The Alliance is a public education, advocacy, and capacity-building organization with a network of more than 10,000 nonprofit, public sector agencies and corporate partners. Roman spoke at the City Club of Portland's Friday Forum on April 4.

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Several years ago I met a man in the District of Columbia. He was disabled. He was in recovery from substance abuse disorders, and he had been diagnosed with bipolar disease and manic depression. He had gotten out of federal prison. He went to a corrections halfway house for six months, got a job and then moved to an Oxford House (a program of shared houses



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for people in recovery). There was a lay-off at his job, though, he was let go as the last hired, and he had to leave Oxford House because he couldn't pay the rent.

He became homeless. He lived on the street for a while, and then he went to a large shelter in the District of Columbia — you may have heard of it as the shelter that Mitch Snyder founded — CCNV. He stayed at

that shelter for the maximum six months, after which he had to leave. He then moved to a bench on the corner of Seventh Street and Pennsylvania Avenue. You have seen this corner, because it's on the parade route that the president travels in the inauguration — from the Capitol to the White House. It's also just up Seventh Street from HUD. That bench and a big black satchel, were his home

While there, he was hospitalized twice for a total of 11 days. In both cases he was suicidal. He also spent a lot of time sitting in the Emergency Room waiting area of hospitals and on buses and subways to get out of the elements. He was considerably bothered by his inability to bathe and keep his clothes clean. Because he is disabled, he received income assistance, which at around \$220 a month couldn't pay for any housing. He applied for federal housing assistance; there are 60,000 people in the waiting list in D.C.

After being homeless for a year and a half, he decided that the only thing left for him to do was to re-offend and return to prison. At least there he could get a bed, a roof, meals and a regular shower.

It was at this point that his mental health caseworker sent him to a Housing First, permanent-supportive housing program. It gets homeless people very quickly into subsidized, scattered site apartments without a lot of behavioral pre-conditions and provides them with services. Although participation in services is not mandatory, the program has sophisticated and consumer-oriented services that the tenants love and use frequently. Within a week he had chosen an apartment from among several options and neighborhoods; he moved in; he had an incredibly supportive services team; he was stable, happy and looking for a job.

It cost taxpayers at least \$44,000 for this man to be homeless and on the street. He was on parole and a client of the mental health system; the cost of two unconnected case managers was \$20,000. He spent 11 days in psychiatric hospitalization; the cost was \$15,400. He spent six months at the shelter; the cost was \$9,000.

It could have been worse. He could have been placed in a psychiatric group home at a cost of \$60,000 per year, not including treatment services. He could have been hospitalized at our mental health hospital at a cost of \$180,000 per year. He could have been re-incarcerated at a cost of \$65,000 per

year.

The cost for his supportive housing and services — the only option in which he was not homeless or institutionalized — was \$20,000/year.

What is the point of my story? In the 30 years that there has been widespread homelessness in our nation, we have learned a lot about how to solve the problem, how to solve it in ways that are much better for homeless people; how to solve it in ways that are much better for our community, and how to solve it in ways that are cost effective.

What do we know about homelessness today?

Nationally, there are 610,000 people homeless on a given night. About 1.5 million people experience homelessness in the course of a year. About 65 percent of these people are individuals; and about 35 percent are people in families. The vast majority of people are homeless for economic reasons. But about 20 percent of people who experience homelessness have more serious disabilities, which additionally impede their ability to exit homelessness.

Around 109,000 people are chronically homeless — homeless for long periods of time and disabled: 58,000 homeless people are military veterans. Thirty-five percent of people who are homeless are unsheltered.

Homelessness is a housing driven problem. If people are housed — notwithstanding any other problems they may have — they are not homeless. Ending homelessness is about getting people housed; not about solving every problem. If there were a sufficient supply of affordable housing, there would not be widespread homelessness. I know this because I remember a time — in the 1970s — when there was a sufficient supply of affordable housing for low-income people and there was not widespread homelessness. There were more affordable housing units than there were poor households that needed them. Today, we are 7 million affordable units short. This basically explains why we didn't have widespread homelessness then, and we do now.

Because there is not enough affordable housing, many poor households are unstable in housing, and are at risk of, or become, homeless. Let's delve a little more deeply into this.

What does poor mean?

For a single person, it means they have an income of less than \$12,000 per year. A family of four would have less than \$24,000 per year. Fifty million people fall into the poverty category. Sixteen million people live in deep poverty, which means less than half of the poverty income.

Imagine that you are one of the families of four living in deep poverty here in Portland. Your income is around \$12,000 per year — \$1,000 per month. In Portland, according to HUD, the typical rent on a low cost 2 bedroom apartment is \$922 a month. That would leave you \$78 each month to pay for food, transportation, clothing, health care, school supplies, and everything else for you and your kids.

If you're single and living in deep poverty, you have \$500 a month to spend on everything you need. A modest studio would cost \$666 a month.

Even your higher-than-normal minimum wage here in Oregon doesn't get you out of hot water. Working 40 hours a week at \$9.10 is not enough to afford a studio apartment if you pay the recommended 30 percent of your income for housing. You would have to make \$13 an hour, or work 56 hours per week.

The point of all of this is that people who are poor pay too much of their incomes for housing. You might think people at such a low income would get a government subsidy of some sort to help them pay for their housing. But you would usually be wrong. Unlike the subsidy that those of us who are home owners are entitled to through the mortgage interest and property tax deductions, housing

assistance for poor people is not an entitlement. Only a quarter of those who are eligible, by income, for low income housing subsidy receive it, because there is not enough.

The result of this is that two-thirds of poor households pay more than half of their income for rent. Any interruption in income can threaten their home — and even lead to homelessness.

Take the story of a grandmother whose daughter had two kids and lived in public housing. The daughter had a drug problem, and ended up in jail, so the grandmother moved into her apartment to take care of her children so that they wouldn't end up in foster care. The little boy had a birthday, and the grandmother wanted to make it special for him, so she splurged and spent \$60. That was wonderful, but as a result she was short when it came to paying the rent — and since she didn't have enough, she didn't write the check. When the Housing Authority didn't get the rent, it followed up and found out that the grandmother wasn't the authorized tenant, and began eviction proceedings. So for the price of a birthday present and a cake, we have a costly administrative eviction procedure, possible placement of two kids in foster care and a homeless grandmother.

This case was sorted out, but the point is that when you are living so on the edge with respect to income, you are very vulnerable, and many people who are poor are susceptible to housing crises brought about by a poor decision — however minor — or bit of bad luck.

People like this grandmother, who become homeless for economic reasons, do not look significantly different in terms of their characteristics from other poor people. They don't have more children or lower education levels. They don't have more mental illness or substance abuse issues. They are just poor people having a housing crisis. And when they do become homeless, they don't stay homeless long and they don't generally become homeless again. That's the 80 percent of people who experience homelessness.

The 20 percent of people who have disabilities and stay homeless longer obviously present quite a different picture. We call this chronic homelessness. People who are chronically homeless or living on the streets face, not surprisingly, tremendous challenges. They age faster and die earlier; their mortality rate is considerably higher than that of the general population. Why? They are at high risk of sexual and physical violence. Their health deteriorates. They suffer the effects of being out of doors: frostbite, circulatory issues and complications from exposure. They have untreated illnesses like diabetes and heart conditions. And of course they often suffer from untreated mental illness or substance-use disorders. These untreated illnesses are bad for them, obviously; and they are costly to us.

If you want to end homelessness, is this all we need to do — rapid re-housing and permanent supportive housing?

These are key program approaches to solving homelessness. They are necessary, but not sufficient to reduce the number of homeless people in a city. We have learned that there are some other pieces of the puzzle.

On the front end, we have to look at prevention. We could get everyone who is homeless tonight into a place to live, but others would soon take their places. We need to strengthen our mainstream support

systems such as welfare, employment, mental health and substance abuse treatment, and corrections discharge so that they support people and don't discharge people into homelessness.

We have to move to having a homelessness system that allocates scarce resources appropriately and can make the tough decisions: not just a collection of individual programs, no matter how great. To use a

sports analogy, it's like having a baseball team of brilliant players, each trying to maximize his or her individual performance, and to win. You need the manager to make sure you have the right pieces, come up with the strategy, and pull everyone together into a team. Someone has to make the tough decisions about what to do, what not to do, how to move resources around, etc. You need leadership. And that

leadership needs to be able to make decisions based on data and research, based on shared goals.

Can you end homelessness in Portland?

In my estimation, you can. Number one, you have extraordinary capacity in your homeless assistance providers. Groups like Central City Concern, Volunteers of America on domestic violence, JOIN and others are national models. When I say that we know what to do to end homelessness, a lot of this knowledge came from very sophisticated and highly effective organizations like these. Not all cities have this high level of capacity, so that is something to build upon.

I can't speak to all the other factors I have mentioned, but Jeffrey Sachs, the Columbia University economist and international poverty expert, has said that it's not that we don't know what to do to end poverty, it's that we don't do enough of it and we don't do it long enough. And that is pretty much the story with our work on homelessness. We do know what to do. We don't do enough of it and we don't do it long enough. I would add that unless we get unlimited resources, we also don't do it efficiently enough.

Homelessness is a heartbreaking problem. And in part it is heartbreaking because it is so unnecessary. We have some big problems in our nation that cause homelessness: 7 million too few affordable housing units, lack of mental health care, incomes that are too low to meet people's basic needs, substance abuse treatment for only half of the people who need it, insufficient health care. If we solved all of these problems, we would not have homelessness. But solutions are not around the corner.

Poor and disabled people in Portland and around the country are coping with these problems, right now. Mostly they succeed because, remember, there are 50 million poor people, but only 600,000 become homeless. Still, sometimes things don't work out and they do become homeless. So let's work on the big fix — definitely. But while we're doing that when someone has a housing crisis, it is not beyond us to have a system that quickly helps resolve that crisis, returns them to housing and connects them to the services they need in the community. Poor and disabled people are struggling. The least we can do is help them.

You have the capacity to do that here in Portland. You have the knowledge. You have resources. The question really is whether you have the public and political will to do enough of it and do it long enough.

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