

DOMESTIC POLICY COUNCIL WORKING GROUP
COUNCIL ON HOMELESSNESS

BRIEFING BOOK

December 16, 1993

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Agenda

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ATTACHMENTS:

"The D.C. Initiative: Working Together to Solve Homelessness"
"Creating Communities of Opportunity: Priorities of the U.S.
Department of Housing and Urban Development"



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
THE SECRETARY
WASHINGTON, D.C. 20410-0001

December 7, 1993

Honorable Donna E. Shalala
Secretary
Department of HHS
Washington, DC 20201

Dear Ms. Secretary:

As you may know, we recently announced that the Clinton Administration will continue the Interagency Council on the Homeless with its current leadership as a working group through the Domestic Policy Council. The 17 agencies that comprised the former Interagency Council on the Homeless will continue as members of the new group.

There will be a meeting of the Council on Thursday, December 16, 1993 from 9:00 a.m. to 10:00 a.m. in the Indian Treaty Room of the Old Executive Office Building at 17th Street and Pennsylvania Avenue, N.W. (Use the Pennsylvania Avenue entrance.)

We are looking forward to the prospects of this working group. Please send a senior policy representative if you are unable to attend personally. It is essential that your representative be authorized to speak on your behalf on policy matters that may arise during the meeting. Because of space limitations, we ask that each agency send no more than one staff person in addition to yourself or your designee. OEOB security procedures require that we submit the name, birthdate, and Social Security number of each person attending. Please call Joann Garlic at (202) 708-1480 with this information by 3:00 p.m. on Monday, December 13 or Marsha Martin if you have any questions.

Attached for your information is a copy of the agenda for the December 16 meeting and a copy of a November 16 memorandum with additional background information on the new working group. We look forward to seeing you on December 16.


Henry G. Cisneros
Secretary of Housing
and Urban Development


Carol Rasco
Assistant to the President
for Domestic Policy

Attachments

Full Council Meeting
December 16, 1993
ATTENDEES

WHITE HOUSE DOMESTIC POLICY COUNCIL

Carol H. Rasco
Assistant to the President for Domestic Policy

Suzan D. Johnson Cook
White House Fellow

HOUSING AND URBAN DEVELOPMENT

Secretary Henry G. Cisneros

Andrew Cuomo
Assistant Secretary for Community Planning and Development

Jacquie Lawing
Deputy Assistant Secretary for Economic Development

HEALTH AND HUMAN SERVICES

Secretary Donna Shalala

Jerry Britten
Deputy Assistant Secretary for Program Systems

Mary Ellen O'Connell
Homeless Coordinator

Fran Randolph
Acting Director of Demonstration and Evaluation Programs
Center for Mental Health Services

Fred Osher
Acting Director
Division of Demonstration Programs

VETERAN AFFAIRS

Secretary Jesse Brown

Dale Renaud
Dep. Asst. Sec. for Intergovernmental Affairs

Grace McAlister Callo
Exec. Asst. for Public and Intergovernmental Affairs

Kathy Jurado
Asst. Sec. for Public and Intergovernmental Affairs

Eric Lindblom
Homelessness Specialist

PHOTOCOPY
PRESERVATION

EDUCATION

Secretary Richard W. Riley

OFFICE OF MANAGEMENT AND BUDGET

Director Leon Panetta

Christopher Edley
Associate Director for Economics
and Government

Joseph Firschein
Budget Analyst

CORPORATION FOR NATIONAL AND COMMUNITY SERVICE

President Eli Segal

Susan Stroud, Director of Federal Agencies Liaison

DEFENSE

Robert Bayer
Dep. Asst. Sec. for Base Realignment & Closure

Frank Savat
Asst. Director for Real Property

GENERAL SERVICES ADMINISTRATION

Earl Jones
Commissioner
Federal Property Resource Service

Marjorie Lomax
Director, Office of Policy Analysis and Planning Division

INTERIOR

Dolores Chacon
Special Asst. to the Asst. Sec. for Policy, Management and Budget

COMMERCE (Bureau of Census)

William P. Butz, Associate Director for Demographic Programs

Annetta Clark
Demographic Statistician

Ditas Katague
Policy Analyst, Policy and Strategic Planning

TRANSPORTATION

Frank Kruesi
Assistant Secretary for Transportation Policy

FEMA

Dennis Kwiatkowski
Deputy Associate Director
Preparedness Training and Evaluation

Francis McCarthy
Senior Program Specialist
Emergency Food and Shelter Program

ENERGY

Frank M. Stewart
Deputy Assistant Secretary, Office of Technical and Financial
Assistance

William Raup
Special Assistant to the Deputy Asst. Sec., Office
of Technical and Financial Assistance

JUSTICE

Eleanor Acheson
Assistant Attorney General for Policy Development

Renee Landers
Deputy Assistant Attorney General for Policy Development

AGRICULTURE

Michael Dunn
Administrator
Farmers Home Administration

Shirley Watkins
Dep. Asst. Sec. for Food and Consumer Services

Jill Randell
Program Analyst, Food and Nutrition Service

Sharron Longino
Associate Administrator for FmHA

LABOR

Robert J. Litman
Deputy Administrator
Office of Strategic Planning and Policy Development
Employment and Training Administration

Timothy Craig
Deputy Assistant Secretary-Designate

Lafayette Grisby
Chief, Division of Research and Demonstration

POSTAL SERVICE

Robert Harris
Vice President of Legislative Affairs

ICH STAFF

Marsha Martin, Executive Director

Wendy Greuel, Deputy Director

George Ferguson

Marsha Henderson

Andrea E. Hill

Pat Morgan

Julie Brof

Eric Payne

Joann Garlic

Alicia R. Clark, Student Intern

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

May 19, 1993

EXECUTIVE ORDER

FEDERAL PLAN TO BREAK THE CYCLE OF HOMELESSNESS

By the authority vested in me as President by the Constitution and the laws of the United States of America, including title II of the Stewart B. McKinney Homeless Assistance Act, as amended (42 U.S.C. 11311-11320), and provide for the streamlining and strengthening of the Nation's efforts to break the cycle of homelessness, it is hereby ordered as follows:

Section 1. Federal member agencies acting through the Interagency Council on the Homeless, established under title II of the Stewart B. McKinney Homeless Assistance Act, shall develop a single coordinated Federal Plan for breaking the cycle of existing homelessness and for preventing future homelessness.

Section 2. The plan shall recommend Federal administrative and legislative initiatives necessary to carry out the plan and shall include a proposed schedule for implementing administrative initiatives and transmitting any necessary legislative proposals to the Congress. These initiatives and legislative proposals shall identify ways to streamline and consolidate, when appropriate, existing programs designed to assist homeless individuals and families.

Section 3. The plan shall make recommendations on how current funding programs can be redirected, if necessary, to provide links between housing, support, and education services, and to promote coordination and cooperation among grantees, local housing and support service providers, school districts, and advocates for homeless individuals and families. The plan shall also provide recommendations on ways to encourage and support creative approaches and cost-effective, local efforts to break the cycle of existing homelessness and prevent future homelessness, including tying current homeless assistance programs to permanent housing assistance, local housing affordability strategies, or employment opportunities.

Section 4. To the extent practicable, the Council shall consult with representatives of State and local governments (including education agencies), nonprofit providers of services and housing for homeless individuals and families, advocates for homeless individuals and families, currently and formerly homeless individuals and families, and other interested parties.

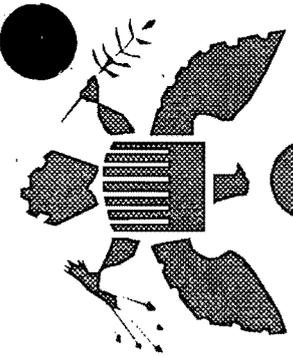
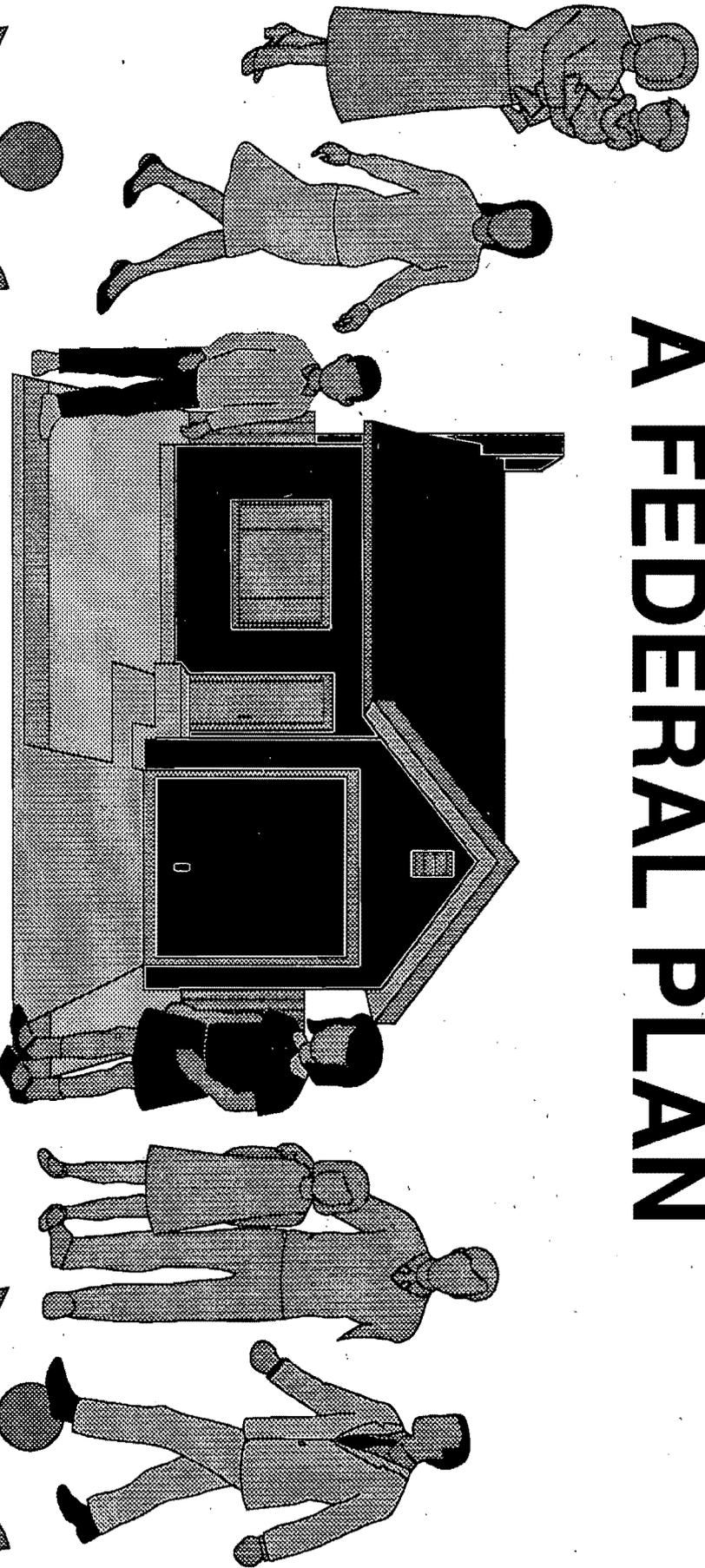
Section 5. The Council shall submit the plan to the President no later than 9 months after the date of this order.

WILLIAM J. CLINTON

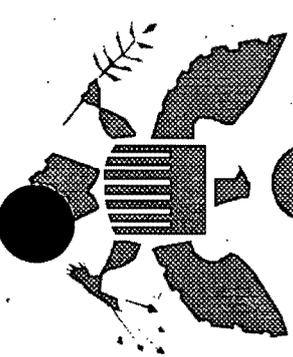
THE WHITE HOUSE,
May 19, 1993

BREAKING THE CYCLE OF HOMELESSNESS

A FEDERAL PLAN



December 1993
Status Report



EXECUTIVE ORDER

Objectives

Break Existing Cycle

Prevent Future Homelessness

Recommendations Req'd

Consolidate and Streamline

Redirect Current Funding

Coordinate and Cooperate

Support Creative Approaches

Make Local Efforts Cost-effective

PARTNERS IN A PLAN

AGRICULTURE

COMMERCE

DEFENSE

EDUCATION

ENERGY

FEMA

GSA

HHS

HUD

INTERIOR

JUSTICE

LABOR

NAT'L SERVICE CORPS

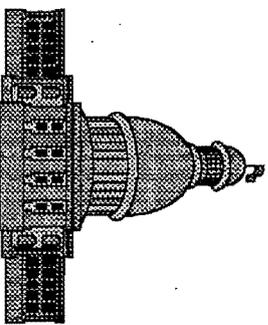
OMB

POSTAL

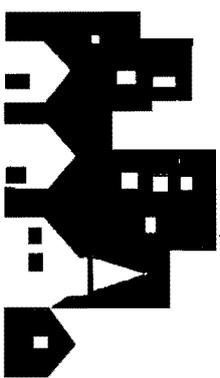
TRANSPORTATION

VETERANS AFFAIRS

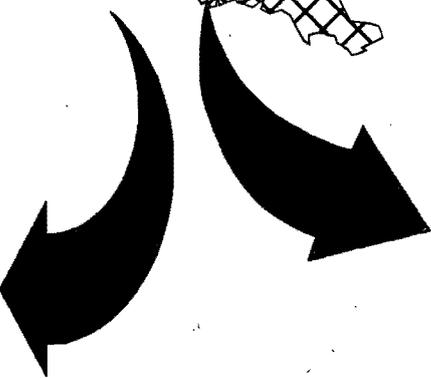
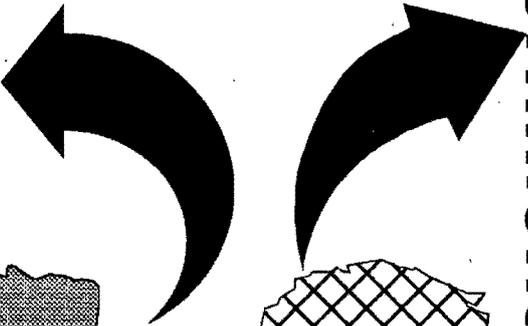
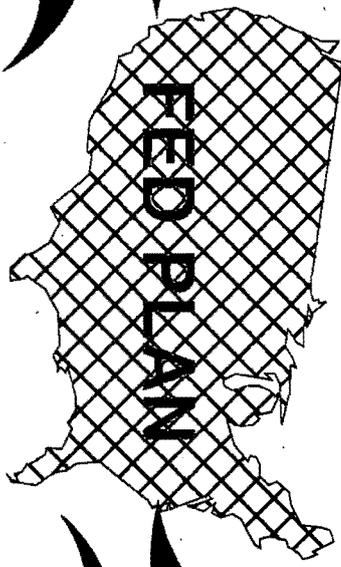
GETTING INPUT



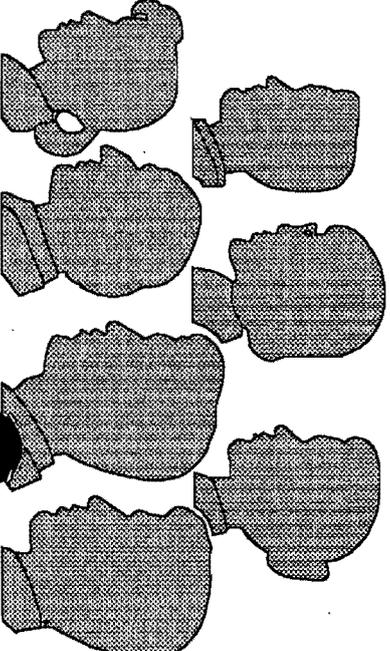
**Local and State
Government**



Service Providers



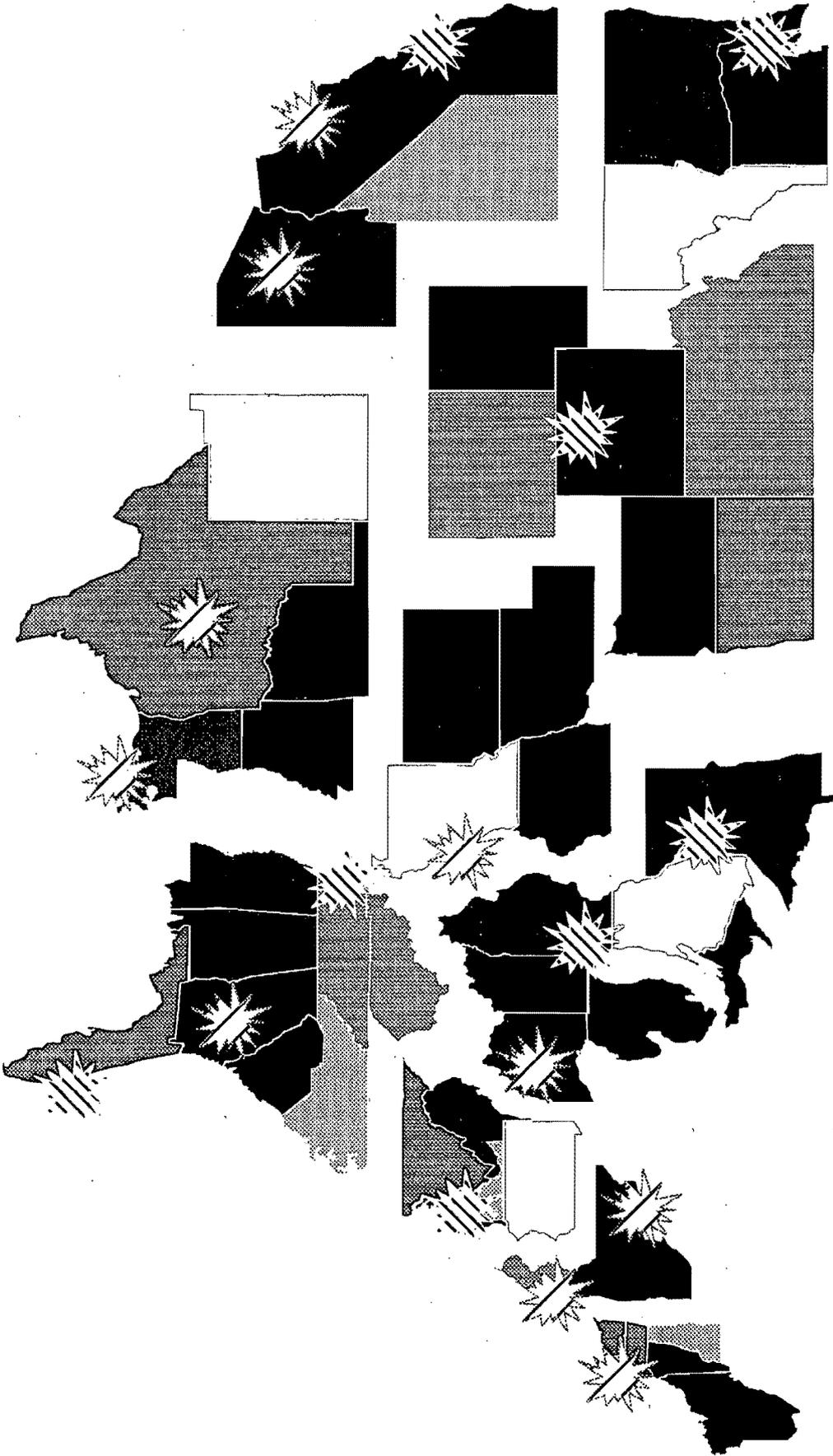
**Advocates
Educators**



**Homeless
Ex-Homeless**



BUILDING COMMUNITIES: TOGETHER



REACHING OUT

DIRECT PARTICIPANTS

San Francisco

Baltimore

Chicago

Seattle

Miami

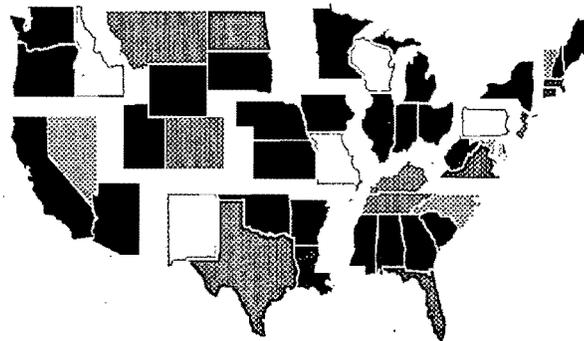
Denver

Memphis

St. Paul

10 Forums

3000 People



Little Rock
Oklahoma City

IN PROGRESS

Forums

Mail Survey

14,000 people/programs

Ten Reg'l Crds. Soliciting

Input from 500+ Homeless People
in 40 Shelters Coast to Coast

3000+ RECOMMENDATIONS

TO:

Break Existing Cycle

Prevent Future Homelessness

SPECIFIC:

Consolidate and Streamline

Redirect Current Funding

Coordinate and Cooperate

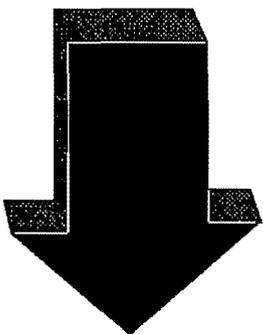
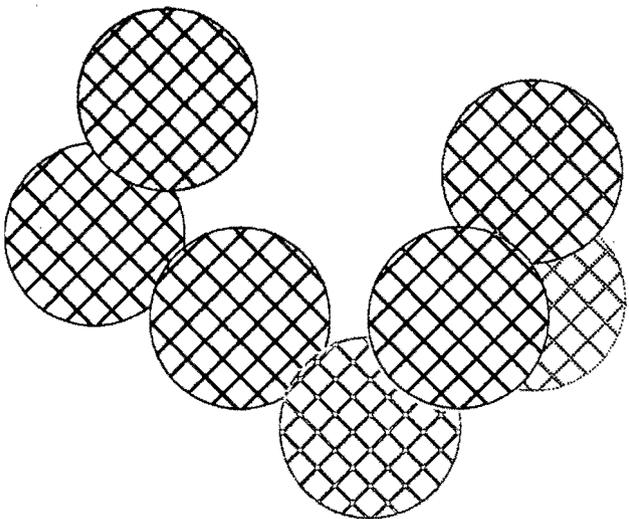
Support Creative Approaches

Make Local Efforts Cost-effective

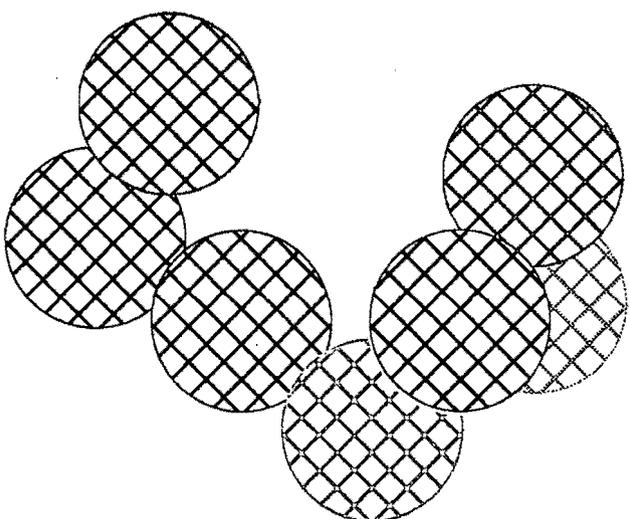


MULTI-DIMENSIONAL PROBLEM

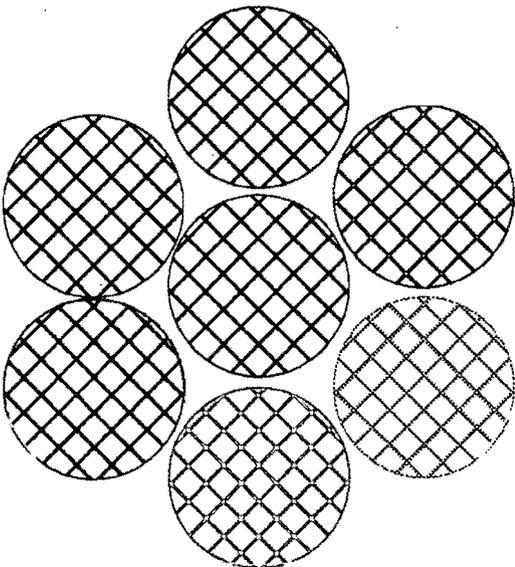
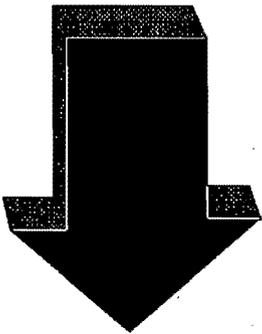
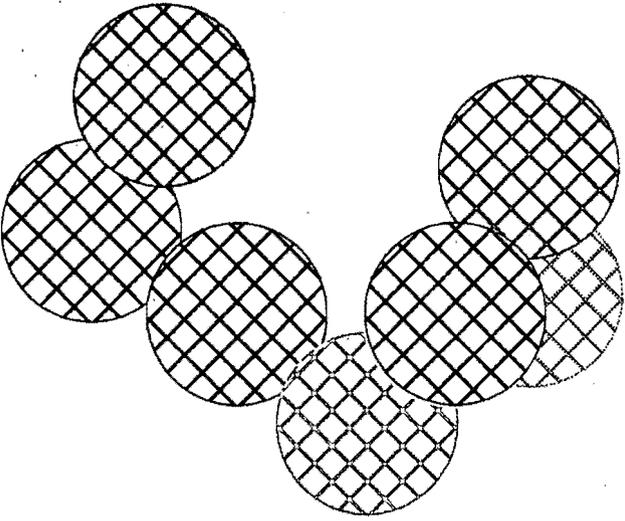
**UNCOORDINATED
PROGRAMS**



**FRAGMENTED
RESULTS**

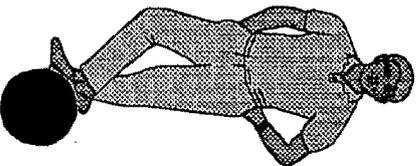
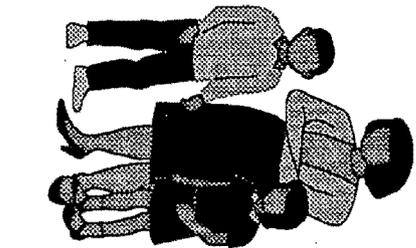
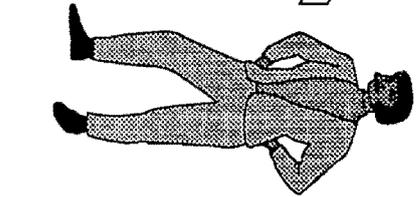
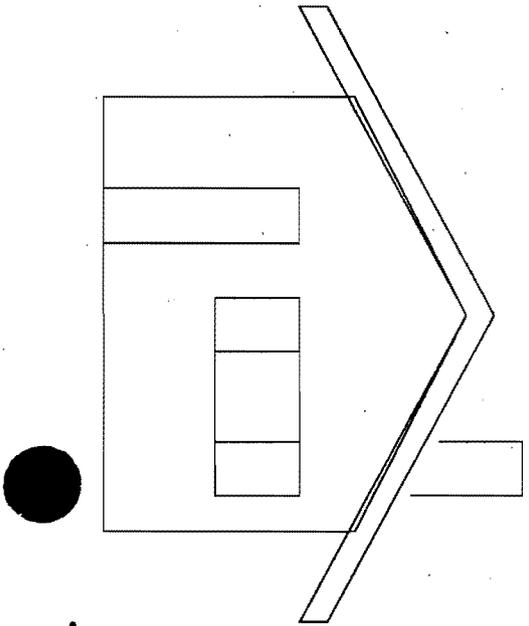
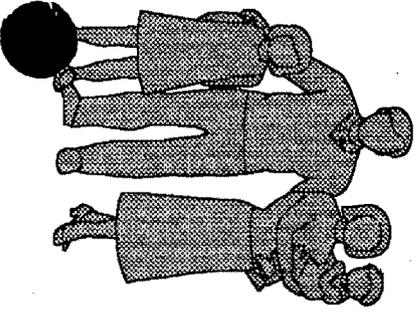


MULTI-FACETED RESPONSE



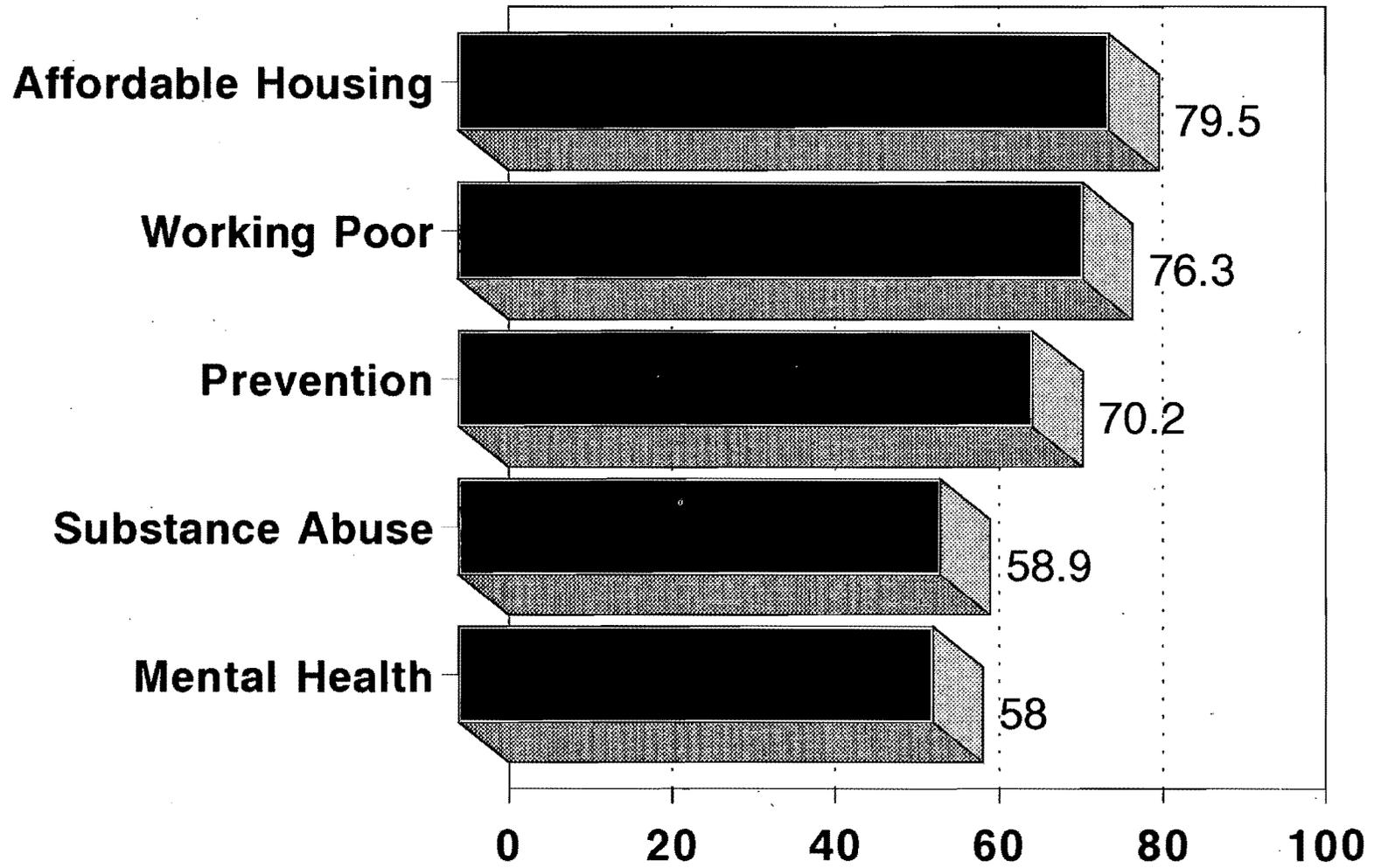
CONSENSUS

**Affordable Housing
Needs of Working Poor
Prevention
Mental Health
Substance Abuse**



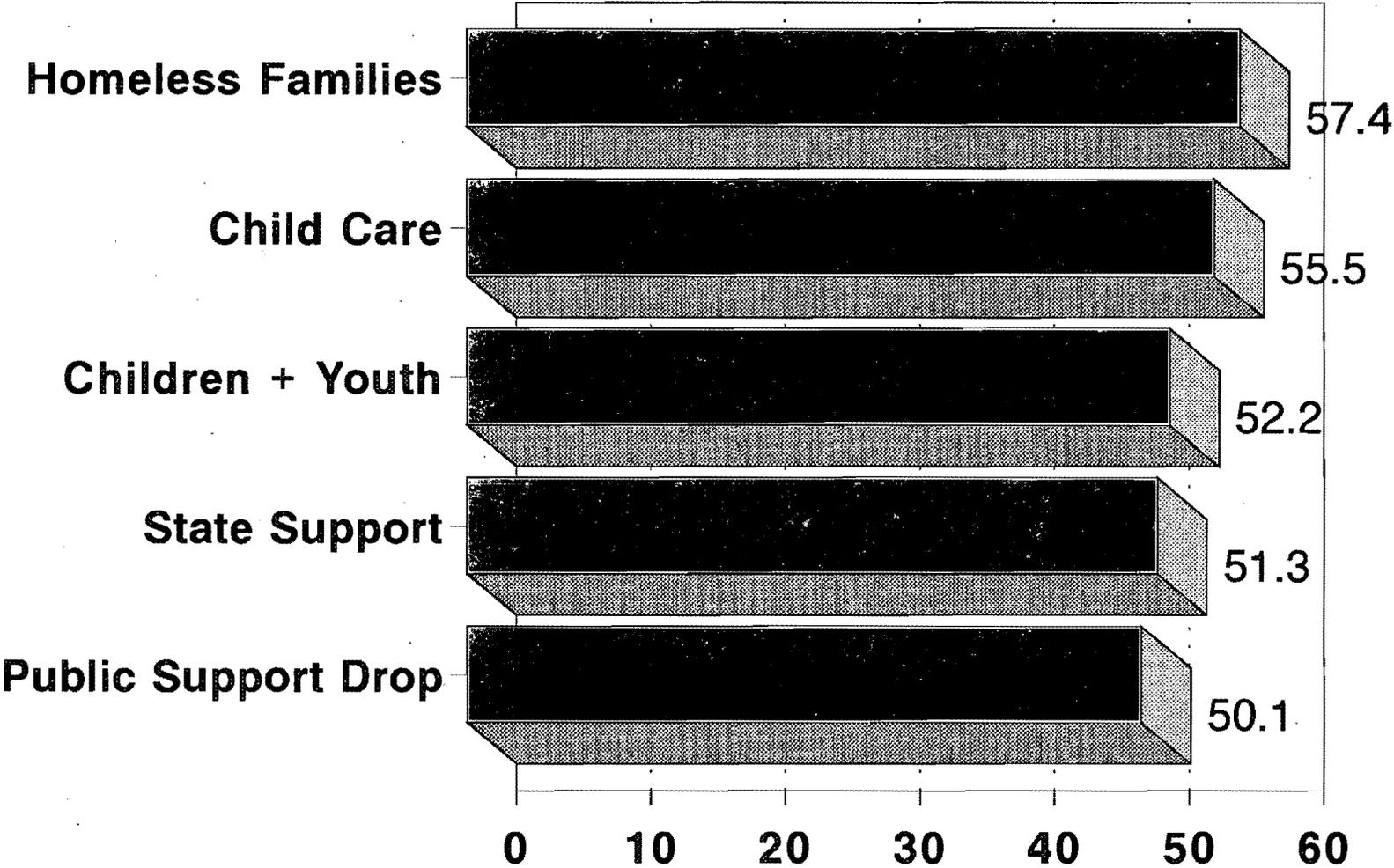
PRIORITIES OF FOCUS GROUPS

The Top Five Issues



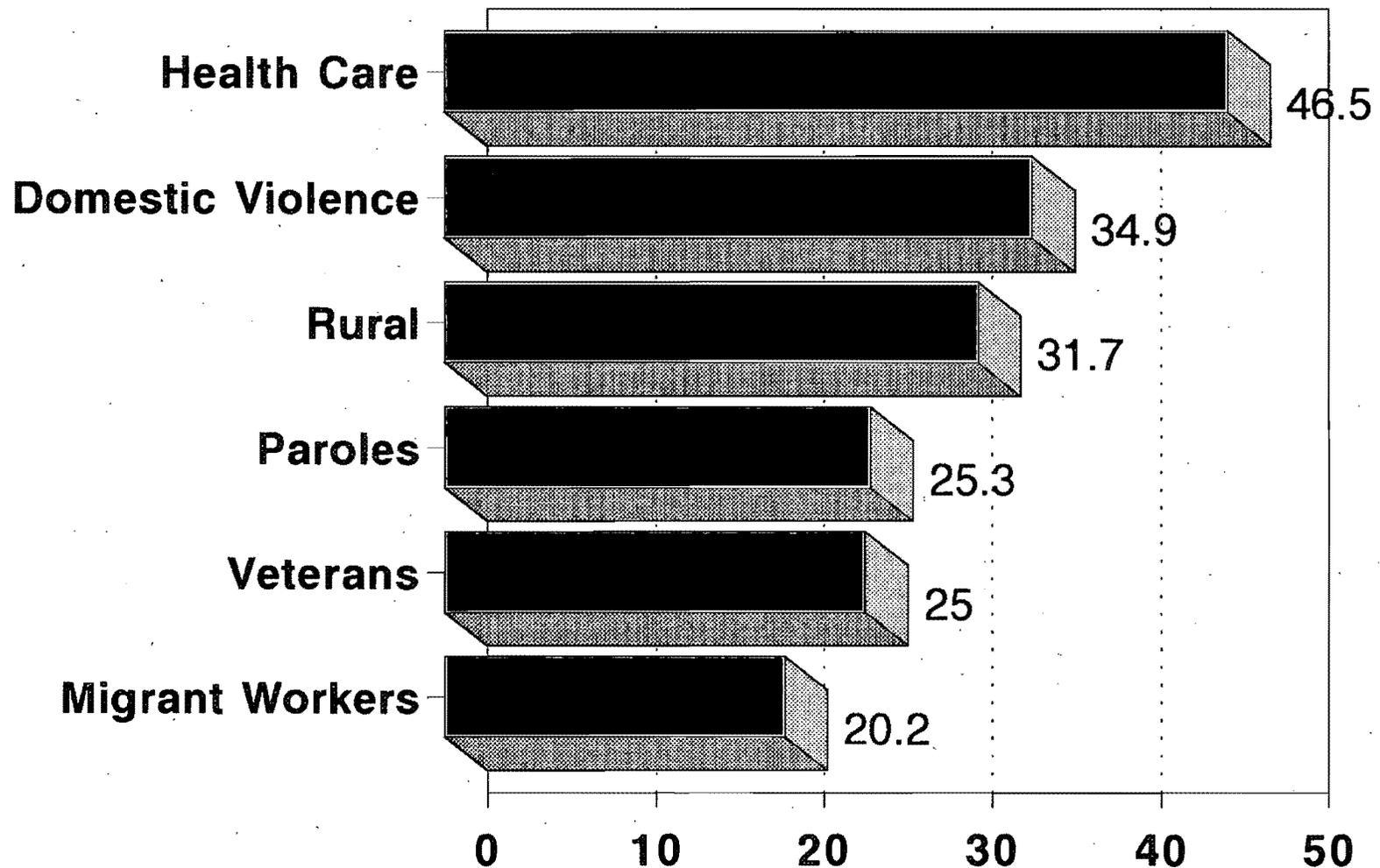
PRIORITIES OF FOCUS GROUPS

The Next Five Issues



PRIORITIES OF FOCUS GROUPS

The Last Six Issues



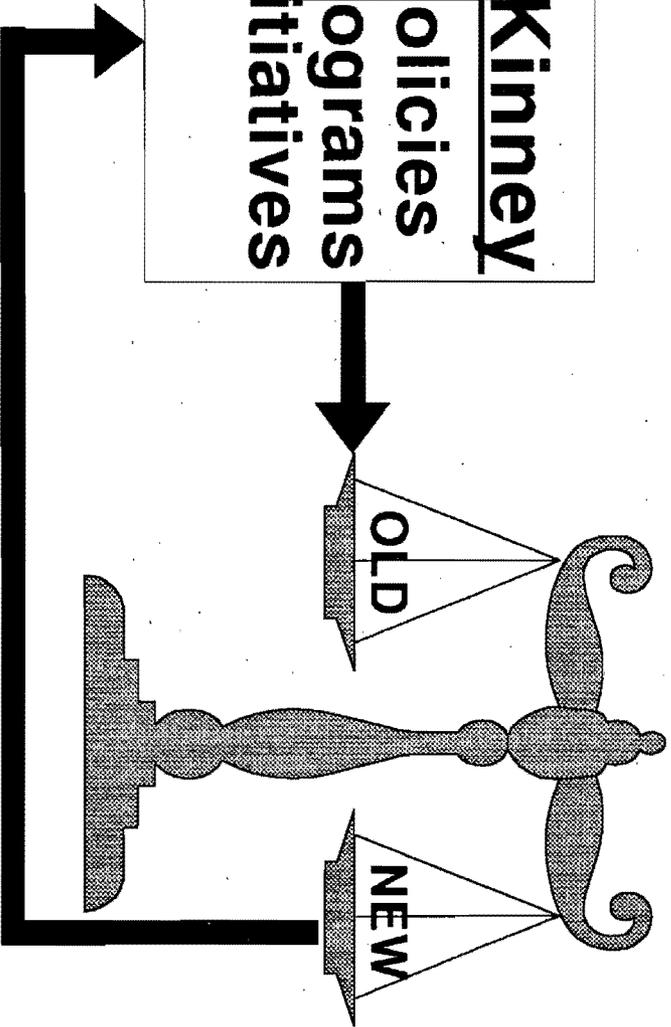
WHAT IS NEEDED:

Understanding	True Nature and Extent of Homelessness
Response	Move Beyond Emergencies
Fed Leadership	Long - Range Solutions
Partnership	New Social Contract Accessible, Flexible Funding Public/Private, Agency Links
Representation	Govt - Fed, State, Local Educators, Researchers Business Community Service Providers Homeless, Ex-Homeless



POLICY GROUP

IN PROCESS: REVIEW, EVALUATE



FINISHING TOUCHES

Major Meeting With Advocates

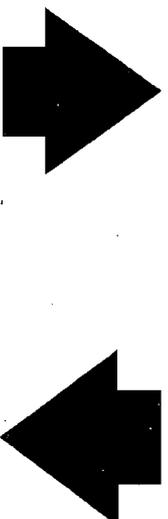
Early January 1994

Interactive Forums - January

10 Cities

PUTTING IT TOGETHER

**Affordable Housing
Needs of Working Poor
Prevention
Mental Health
Substance Abuse**



McKinney Recommendations



THE WHITE HOUSE

WASHINGTON

Thank you for coming. I understand that the real work to rebuild our communities takes place on the streets and with real people; and it is to that work that you have dedicated your hands and your spirits. But I believe that your participation in this forum will help to forge the framework for a new partnership that will prove valuable to you and, more importantly, the people you serve.

The challenges we face today are certainly enormous -- we must not only rebuild the material structures of our communities, we must help people rebuild their lives as well. Let me assure you that my Administration understands that we will only achieve success by working with you, to explore new ideas and to find new solutions. Washington -- and Washington's programs -- must never again be an additional barrier on an already difficult road.

Henry Cisneros understands this better than anyone; he comes from a community like your communities and he has been a leader in the fight to improve people's lives for most of his adult life. As Secretary of the Department of Housing and Urban Development and Chairman of the Interagency Council on the Homeless, he is committed to reinventing the way that HUD, and the entire federal government, does business so that it better meets your needs.

Secretary Cisneros and I believe that this forum and the forums like it that are occurring around the country are the first conversations in a new dialogue through which we can fashion a partnership that will enable us to take on, and overcome, the great challenges we face.

Thank you for your presence, for your passion, and for your willing participation. We can build communities together -- through partnerships for change.

Ric Cisneros



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
THE SECRETARY
WASHINGTON, D.C. 20410-0001

Dear Friends:

As Secretary of the Department of Housing and Urban Development and Chair of the Interagency Council on the Homeless, I am pleased to welcome you to this interactive forum dedicated to "Building Communities: Together". They represent part of our effort to "Reinvent HUD" and to meet the challenge presented by President Clinton in his Executive Order calling for an end to the cycle of homelessness.

"Building Communities: Together" extends beyond the limited parameters of the Federal government. Producing real change by working together requires a network of partnerships among all the federal, state, and local governments and the public and private sectors as well. These two days in San Francisco, therefore, hold great significance for the development of a productive, sustained relationship between all of you who are participating in this forum and will become partners with us in our quest to revolutionize government.

Sincerely,

A handwritten signature in black ink that reads "Henry Cisneros".

Henry G. Cisneros



THE SECRETARY OF HEALTH AND HUMAN SERVICES
WASHINGTON, D.C. 20201

Welcome, and thank you for participating in this most important forum. Your expertise and unique perspectives are critical to the development of our new "Federal Plan to Break the Cycle of Homelessness and Prevent Future Homelessness." As Co-Vice Chair of the Federal Interagency Council on the Homeless, I pledge to work hard with you in the struggle against homelessness.

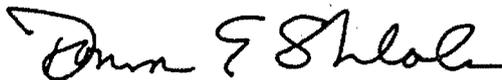
It is imperative that I do so. We at HHS must help you help those who are currently homeless as well as those who might soon be so. HHS responsibilities are not, of course, to provide housing per se. But you and I know that the causes and the consequences of homelessness go far beyond the lack of a "home". And because they do, our response must include a broad range of health and social services. An essential part of developing a strategy to eliminate homelessness and reduce its effects must be to reform health care and welfare; improve the services we provide to families and children at risk, including early childhood development and immunization programs and child welfare services; preserve Social Security; improve substance abuse and mental health services; stop violence directed towards children and violence within families; and promote healthy lifestyles. We are working hard on all of these fronts. As service systems improve, so too will the lives of those who are now homeless and those at risk of becoming so.

Government can make a difference. But it cannot solve problems by itself and should not try. Although Federal programs are very important in our nation's efforts to end homelessness, they alone will not effect significant improvement. That requires individuals and their communities impassioned by conscience and committed to change--people like you.

You and I are partners. We will work together to develop and implement a new strategy to break the cycle of homelessness, ease the plight of those who are homeless and prevent others from facing this human tragedy.

Thank you for your efforts here today and everyday.

Sincerely,


Donna E. Shalala



THE SECRETARY OF VETERANS AFFAIRS
WASHINGTON

Dear Friends:

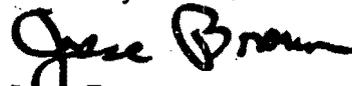
As Co-Vice Chair of the Interagency Council on the Homeless, I want to welcome you to this important interactive forum that will help us improve existing efforts and develop new strategies to reduce homelessness in the United States. As the Interagency Council works to develop the new Federal plan to break the cycle of existing homelessness and prevent future homelessness, we need the special knowledge and experience you bring from your front-line work with homeless persons and your work on related housing and poverty issues.

Just as your participation is crucial in the development of this new Federal plan, your efforts will be critical in its implementation. We need to figure out new ways of working together and coordinating our efforts to help homeless persons obtain the assistance they need, secure appropriate housing, and become more self sufficient. The communication and networking sparked by these interactive forums should help us do just that.

As Secretary of Veterans Affairs, I am especially concerned about homelessness among veterans. Men and women who have served our country, and risked dying for it, should not be reduced to sleeping on steam grates or in doorways. Yet homeless veterans make up roughly a third of all homeless adults. Helping more of these veterans escape homelessness is a top personal priority of mine as Secretary of VA and I have made it an active top priority of the Department. If you have not done so already, I urge you to get in touch with your local VA medical center, regional office, or homeless assistance program to explore ways that we can work together to improve our assistance to homeless veterans -- which is a necessary component of our broader effort to reduce homelessness in the United States.

Good luck with all your hard work. I hope you find this interactive forum a constructive step toward continued progress.

Sincerely Yours,


Jesse Brown



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
THE SECRETARY
WASHINGTON, D.C. 20410-0001

November 30, 1993

Dear Friend,

President Clinton has pledged his administration to the fight against homelessness. As part of that effort, the President has directed an Interagency Council to craft a Federal plan on homelessness.

An essential factor in this process is the input and advice of those who know the problem best - those people who work with persons who are homeless on a regular basis.

To that end, we have been consulting with elected officials, providers and homeless persons across the country. We invite you to be part of that process by giving us the benefit of your experience and insight. By December 20, 1993 please complete the enclosed questionnaire and return it to:

Federal Plan
Department of Housing and Urban Development
451 Seventh Street S.W. Suite 7274
Washington D.C. 20410

We look forward to working with you in service to the poor and homeless in our country.

Sincerely,


Henry G. Cisneros

Enclosures

Federal Plan Questionnaire

Name/Organization/Address (optional).

Describe the geographical category and type of organization you represent.

Geographical Category

- Large metropolitan area
- Moderate to medium area
- Rural area
- Other

Type of Organization

- Service provider
- Advocacy organization
- City/county government
- State government
- Federal government
- Other

Part I: Recommendations to Break the Existing Cycle of Homelessness and Prevent Future Homelessness

(1) My recommendations for improving, streamlining and/or consolidating existing programs designed to assist homeless individuals and/or families are as follows:

(2) My recommendations for redirecting existing funding streams in order to strengthen linkages between housing, support, and education services are as follows:

(3) My recommendations for promoting coordination and cooperation among grantees, local housing and support service providers, school districts and advocates for homeless individuals are as follows:

(4) My recommendations for encouraging and supporting creative approaches and cost-effective local efforts to break the cycle of existing homelessness and prevent future homelessness, including tying current homeless assistance programs to permanent housing assistance, local housing affordability strategies, or employment opportunities are as follows:

Part II: Ranking of Issues to be Addressed in the Federal Plan

In FY90 and FY91, staff of the Interagency Council on the Homeless conducted monitoring and evaluation meetings with focus groups in 47 states. Listed below are the issues most commonly raised during those meetings. Please review, list issues that you think should be addressed in addition to those listed and indicate, on a scale of 1 to 5, with 1 being highest priority and 5 being lowest priority, your preference in addressing in the Federal Plan.

- ___ Shortage of affordable housing options (accessibility, availability, suitability, problems posed by NIMBY)
- ___ Needs of working poor (jobs, sufficient income, health care, child care, transportation.
- ___ Need for adequate mental health treatment programs and more effective discharge policies by hospitals, prisons, the military and mental institutions.
- ___ Lack of adequate, appropriate treatment/aftercare programs for persons suffering from substance abuse, including single parents with minor children.
- ___ Concern over increasing numbers of homeless families.
- ___ Need for increased emphasis on preventing homelessness.
- ___ Lack of attention to issues related to rural homelessness, particularly transportation needs.
- ___ Need for increased emphasis on meeting the needs of homeless children and youth, particularly young males who cannot access traditional family shelters, adult shelters, or foster care.
- ___ Insufficient health care services coupled with increase of seriousness of health problems such as AIDS.
- ___ Inadequacy of State support, lack of overall anti-poverty policies.
- ___ Concerns over increasing homelessness among migrant workers/illegal aliens.
- ___ Need for transitional housing or supportive services for ex-offenders, parolees.
- ___ Inadequacy of services for victims of domestic violence and concern over increased incidence of domestic violence.
- ___ Declining public support for homeless programs.

___ Need for affordable child care for single-parent families.

___ Need for prevention/early diagnosis/outreach to veterans suffering from post-traumatic stress disorder (PTSD).

Please list and rank any additional concerns, issues you wish to see addressed:

If you have any other recommendations, please attach additional sheets.

Thank you for your participation. By December 20, 1993 please return your completed form to:

Federal Plan
U.S. Department of Housing and Urban Development
451 7th Street, S.W. Suite 7274
Washington, D.C. 22410

If your mailing label is incorrect, please include changes or corrections with your completed form.

Federal Plan Questionnaire

Name/Organization/Address (optional).

Community Development Department CLC

575 S. Alameda, Room #218

Las Cruces, NM 88001

Describe the geographical category and type of organization you represent.

Geographical Category

Type of Organization

Large metropolitan area

Service provider

Moderate to medium area

Advocacy organization

Rural area

City/county government

Other

State government

Federal government

Other

Part I: Recommendations to Break the Existing Cycle of Homelessness and Prevent Future Homelessness

(1) My recommendations for improving, streamlining and/or consolidating existing programs designed to assist homeless individuals and/or families are as follows:

The rules, reports and requirements of the existing programs need to be modified so that those of one program do not conflict with others since it usually takes more than one program to address the needs of the homeless.

(2) My recommendations for redirecting existing funding streams in order to strengthen linkages between housing, support, and education services are as follows:

The existing funding streams need to be redirected to provide flexibility to individual communities to design the use of programs for the needs of the community.

(3) My recommendations for promoting coordination and cooperation among grantees, local housing and support service providers, school districts and advocates for homeless individuals are as follows:

Lack of coordination and cooperation usually comes from a lack of understanding about the functions of the different providers. Providing training and seminars, through a Council of providers (or some other forum) may increase the understanding and therefore the cooperation and coordination of the various providers.

(4) My recommendations for encouraging and supporting creative approaches and cost-effective local efforts to break the cycle of existing homelessness and prevent future homelessness, including tying current homeless assistance programs to permanent housing assistance, local housing affordability strategies, or employment opportunities are as follows:

Part II: Ranking of Issues to be Addressed in the Federal Plan

In FY90 and FY91, staff of the Interagency Council on the Homeless conducted monitoring and evaluation meetings with focus groups in 47 states. Listed below are the issues most commonly raised during those meetings. Please review, list issues that you think should be addressed in addition to those listed and indicate, on a scale of 1 to 5, with 1 being highest priority and 5 being lowest priority, your preference in addressing in the Federal Plan.

- 1 Shortage of affordable housing options (accessibility, availability, suitability, problems posed by NIMBY)
- 1 Needs of working poor (jobs, sufficient income, health care, child care, transportation.
- 4 Need for adequate mental health treatment programs and more effective discharge policies by hospitals, prisons, the military and mental institutions.
- 3 Lack of adequate, appropriate treatment/aftercare programs for persons suffering from substance abuse, including single parents with minor children.
- 2 Concern over increasing numbers of homeless families.
- 2 Need for increased emphasis on preventing homelessness.
- 5 Lack of attention to issues related to rural homelessness, particularly transportation needs.
- 2 Need for increased emphasis on meeting the needs of homeless children and youth, particularly young males who cannot access traditional family shelters, adult shelters, or foster care.
- 4 Insufficient health care services coupled with increase of seriousness of health problems such as AIDS.
- 2 Inadequacy of State support, lack of overall anti-poverty policies.
- 3 Concerns over increasing homelessness among migrant workers/illegal aliens.
- 5 Need for transitional housing or supportive services for ex-offenders, parolees.
- 4 Inadequacy of services for victims of domestic violence and concern over increased incidence of domestic violence.
- 3 Declining public support for homeless programs.

4 Need for affordable child care for single-parent families.

5 Need for prevention/early diagnosis/outreach to veterans suffering from post-traumatic stress disorder (PTSD).

Please list and rank any additional concerns, issues you wish to see addressed:

If you have any other recommendations, please attach additional sheets.

Thank you for your participation. By December 20, 1993 please return your completed form to:

Federal Plan
U.S. Department of Housing and Urban Development
451 7th Street, S.W. Suite 7274
Washington, D.C. 22410

If your mailing label is incorrect, please include changes or corrections with your completed form.

Barbara Coffman, Director
Community Development Dept.
Room 218, 575 S. Alameda
Las Cruces, NM 88005

RECEIVED

DEC 13 9 51 AM '93

EXECUTIVE
SECRETARIAT

HUD COLD WEATHER POLICY

Secretary Cisneros, as part of the D.C. Initiative, recently met with representatives from the District of Columbia and local non-profit organizations to discuss HUD assistance during the cold weather months. In addition to expediting funds to local non-profits for outreach and shelter efforts, Secretary Cisneros has instructed HUD building personnel to invite homeless individuals and families, who are on the grounds or the immediate vicinity of HUD, into the building and to provide assistance by contacting the appropriate medical, emergency or transportation providers within the area. The HUD building would be used as a holding area for the homeless to access other resources and shelters.

The following procedures have been developed at HUD:

- 1) The District of Columbia will contact a designated HUD employee on days when the hypothermia shelters will be activated. The District calls the National Weather Service each day to determine if the weather is forecast to be 32 degrees or below and will notify the appropriate hypothermia shelter operators and HUD personnel.
- 2) After normal business hours and during temperatures when the hypothermia index is in effect, 32 degrees or below, exterior patrols of the Headquarters Building perimeter will be made at 8:30 p.m., 12 midnight, 2:00 a.m. and 4:00 a.m.
- 3) If the guards come upon a homeless person(s) on or around HUD property, they will invite them into the building while the guard calls the appropriate telephone hotline for assistance in getting the homeless person(s) into shelter.
- 4) The Hypothermia Hotline telephone number is (202) 399-7093 and is operational 24 hours a day, 7 days a week. There will be operators from the United Planning Organization and other agencies to respond to the guard's request for vehicle pick-up to take the homeless person(s) to available shelter(s).
- 5) If the homeless person(s) refuses to accompany the guard into the building, the guard will immediately call the hotline number and request the assistance of an outreach worker and transportation. The guards will escort the staff to the homeless person(s) location and provide assistance as appropriate.
- 6) The guards will document in their daily log their interactions with the homeless person(s).

MAR - 8 REC'D



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

ASSOCIATE DIRECTOR
FOR ECONOMICS AND GOVERNMENT

March 8, 1994

MEMORANDUM FOR CAROL RASCO

FROM: Christopher F. Edley, Jr. *CFE*

SUBJECT: Federal Homeless Plan: Highlights and Issues

Attached is a final (excluding copy editing) draft of *The Federal Plan to Break the Cycle of Homelessness*. Since yesterday, a number of small, mostly technical, revisions have been made based on comments by HHS, VA, and our two staffs. There are no remaining substantive issues.

HUD has agreed that the report will receive a careful copy edit and has a contractor who they regularly use for that purpose.

If you provide this draft to the President, you may want to highlight the following:

- The Plan was largely written by staff at HUD, led by Andrew Cuomo, and the Interagency Council on the Homeless. It has been reviewed by all of the agencies on the Council.
- The Plan's recommendations reflect interagency consensus that: (1) homelessness requires more Federal leadership and resources; (2) the current approach is not working; and (3) a new approach is needed. The new approach, the key budgetary and legislative items of which are in the President's FY95 Budget, would:
 - streamline the funding process and support local government efforts to create systems linking emergency shelter, transitional housing, and permanent housing in one "continuum of care";
 - better coordinate services and housing to help those homeless who have chronic mental illnesses, health problems, or substance dependencies; and
 - make mainstream Federal programs more accessible to the homeless or those at risk of becoming homeless.
- Some may criticize the Plan as not being bold enough, because it does not call for new spending or major initiatives not already proposed. This is largely a

function of its timing relative to the FY 1995 Budget process. As the Plan was being prepared, many of the key elements of the new approach, including a consolidation of HUD McKinney Act programs and increased funding for homeless programs and housing assistance to families, were presented and adopted as part of the President's 1995 Budget.

- An earlier draft of the Plan leaked and was reported on. It included a recommendation for a new tax deduction to offset high rents for poor families. After consultation with Treasury and other agencies, the language was altered to recommend that tax incentives to assist low-income families with housing costs "should be explored." We believe that this formulation reflects a sound policy instinct, balanced with a concern that complex policy initiatives be developed with care.
- The new estimate of the number of homeless in the report is that about 7 million were homeless, at least briefly, over *the last five years of the 1980s*. This estimate will be (already has been) misinterpreted as a point-in-time estimate. However, the best estimate of the number homeless on a given night is still around 600,000 -- based on a 1987 study that has not been updated. It is probably better to shift attention away from the numbers, which can never be known with certainty, and toward our need to better understand how to prevent and treat homelessness.
- In any case, the Plan lends enough credence to high estimates for us to accept credit for turning away from the practice in the Reagan-Bush years of denying that a serious problem exists.

Attachment

The Federal Plan To Break The Cycle of Homelessness



Priority: Home!

Priority: Home!

**The Federal Plan to Break the
Cycle of Homelessness**

**"I never knew of anyone being homeless around here, now I am."
Single mother of two, Washington, Iowa**

"I do not believe we can repair the basic fabric of society until people who are willing to work have work. Work organizes life. It gives structure and discipline to life. It gives a role model to children. We cannot repair the American community and restore the American family until we provide the structure, the value, the discipline and reward that work gives."

President Bill Clinton

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Executive Order Mandate to the Council

Executive Order 12848 of May 19, 1993

Federal Plan to Break the Cycle of Homelessness

By the authority vested in me as President by the Constitution and the laws of the United States of America, including title II of the Stewart B. McKinney Homeless Assistance Act, as amended (42 U.S.C. 11311-11320), and section 301 of title III, United States Code, and in order to provide for the streamlining and strengthening of the Nation's efforts to break the cycle of homelessness, it is hereby ordered as followed:

Section 1. Federal members agencies acting through the Interagency Council on the Homeless, established under title II of the Stewart B. McKinney Homeless Assistance Act, shall develop a single coordinated Federal plan for breaking the cycle of existing homelessness and for preventing future homelessness.

Section 2. The plan shall recommend Federal administrative and legislative initiatives necessary to carry out the plan and shall include a proposed schedule for implementing administrative initiatives and transmitting any necessary legislative proposals to the Congress. These initiatives and legislative proposals shall identify ways to streamline and consolidate, when appropriate, existing programs designed to assist homeless individuals and families.

Section 3. The plan shall make recommendations on how current funding programs can be redirected, if necessary, to provide links between housing, support, and education services and to promote coordination and cooperation among grantees, local housing and support service providers, school districts, and advocates for homeless individuals and families. The plan shall also provide recommendations on ways to encourage and support creative approaches and cost-effective, local efforts to break the cycle of existing homelessness and prevent future homelessness, including tying current homelessness assistance programs to permanent housing assistance, local housing affordability strategies, or employment opportunities.

Section 4. To the extent practicable, the Council shall consult with representatives of State and local governments (including education agencies), nonprofit providers of services and housing for homeless individuals and families, advocates for homeless individuals and families, currently and formerly homeless individuals and families, and other interested parties.

Section 5. The Council shall submit this plan to the President no later than 9 months after the date of this order.

William J. Clinton

The White House

Interagency Council Membership

Henry G. Cisneros, Chairperson
Secretary
Department of Housing and Urban
Development

Donna E. Shalala, Vice Chairperson
Secretary
Department of Health and Human
Services

Jesse Brown, Vice Chairperson
Secretary
Department of Veterans Affairs

Carol H. Rasco
Assistant to the President for
Domestic Policy
White House

Secretary Mike Espy
Department of Agriculture

Secretary Ronald H. Brown
Department of Commerce

Secretary William J. Perry
Department of Defense

Secretary Richard W. Riley
Department of Education

Secretary Hazel R. O'Leary
Department of Energy

Secretary Bruce Babbitt
Department of Interior

Attorney General Janet Reno
Department of Justice

Secretary Robert B. Reich
Department of Labor

Secretary Federico Peña
Department of Transportation

Eli Segal, President
Corporation for National and Community
Service

James Lee Witt, Director
Federal Emergency Management Agency

Roger W. Johnson, Administrator
General Services Administration

Leon E. Panetta, Director
Office of Management and Budget

Marvin Runyon, Postmaster General
U.S. Postal Service

Leadership Designees

Andrew M. Cuomo, Assistant Secretary
Community Planning and Development
Department of Housing and Urban
Development

David T. Ellwood, Assistant Secretary
Planning and Evaluation
Department of Health and Human Services

Dale Renaud, Dep. Assistant Secretary
Intergovernmental Affairs
Department of Veterans Affairs

Suzan Johnson-Cook, White House Fellow
Domestic Policy Council

Acknowledgements

The development of Priority: Home!, The Federal Plan to Break the Cycle of Homelessness reflects unprecedented collaboration between the Federal government and the community-at-large. Many individuals representing the Federal government, State and local governments, the private sector, individuals and families currently experiencing homelessness and those at risk contributed much time, knowledge, expertise and hard work to make this Federal Plan a reality.

In particular, we would like to express special thanks to Dr. Marsha Martin, Kim Hopper, Jacquie Lawing, Mark Gordon, Jack Underhill and Eric Lindblom for their participation in the development of the plan.

Thanks are extended to the staff of the Interagency Council on the Homeless (ICH) and the ICH member agency representatives who participated in the Interagency Working Groups.

Executive Summary

"We must address the problems that render people homeless in the first place rather than focusing simply on getting them off the streets for the night. That is why I have designated addressing homelessness my number one priority."

HUD Secretary Henry Cisneros

As this plan is being prepared, national attention is still focused on the massive earthquake which shook Los Angeles a few short weeks ago. Within seconds, lives were lost, buildings were destroyed, freeways crumbled and thousands were made homeless. The entire nation watched in horror as scenes of devastation made their way across the airwaves onto our television screens and into our hearts. Government at all levels responded with speed and effect. Literally within hours, the Administration had responded: the Department of Housing and Urban Development (HUD), Federal Emergency Management Agency (FEMA), and a number of other Federal agencies were on the ground providing aid. In a matter of weeks, housing assistance for over ten thousand people had been made available by the Clinton Administration. In less than a month, Congress had enacted a sweeping aid package to provide over 8.6 billion dollars for immediate recovery and rebuilding needs.

This plan considers the cause and effect of a different destruction -- a devastation less sudden and obvious than that recently suffered by Los Angeles, yet even more insidious in its nature. Urban areas throughout the nation have been consistently deteriorating with only periodic notice and episodic attention. Aging infrastructure, loss of business, failing school systems, increasing violence, dilapidated housing, lack of employment, and pervasive drug use define too many communities.

Unlike the situation in Los Angeles, the Federal government cannot claim credit for repair, but instead bears joint liability for the decay. Failed attempts, scarce resources and inaction have all contributed to the "silent earthquakes" that have slowly, yet forcefully shaken the foundations of our communities.

This plan is about the most visible victims of those silent earthquakes: the homeless. As with natural disasters, those resting on the weakest foundations with the frailest support structures have suffered most noticeably. Once reserved for areas predictable by their extent of urban ills, large-scale homelessness, the most manifest and obvious symptom of urban decay, is now spreading to rural and suburban areas previously believed to be immune.

This plan seeks to raise the public's consciousness regarding the true damage of this silent earthquake and recommends both immediate action to deal with the current crisis and more far-reaching action to address the underlying roots of the problem. It does so knowing that it bears

a special burden, made heavier by the failure of the past. While the public believes that government action can rebuild businesses, highways and homes destroyed by natural disasters, it shares no such confidence in our ability to repair the broken families, schools, neighborhoods and lives devastated by years of decay and neglect. The public does not suffer from "compassion fatigue"; it is willing to support efforts that will truly solve these problems. Rather, the public suffers, rightly, from "compassion frustration"; it has been promised too much for too long with too little result.

This plan is different. Realizing that we will never solve a problem we refuse to acknowledge, we offer an honest assessment of the situation. This plan does not seek to minimize the problem nor romanticize the conditions. At the same time, it does not offer an endless wish list of new programs or initiatives. Rather, it identifies several key steps for the Federal government to take now to dramatically change the face of our homeless system. It offers emergency approaches to address the immediate crisis we face on our streets. But it also has the courage to speak about the more far-reaching steps that must be taken if we are truly to attack the roots of homelessness: poverty, lack of affordable housing, systems that sometimes lock out the very people who most need them, and the continuing burdens of urban decay.

Estimates vary widely depending on the definition and methodologies used in counting or estimating the numbers of people who are currently or formerly homeless. Researchers have found that about seven million Americans have experienced homelessness --- some for brief periods and some for years -- at some point in the latter half of the 1980s and that as many as 600,000 people are homeless on any given night. How have we allowed this to happen in one of the wealthiest nations in the world? Why hasn't the increase in Federal, State and local funding resulted in more progress in quantitatively reducing homelessness? What can we realistically do to keep men, women and children off of streets and out of shelters, while helping them to become self-sufficient members of society? This plan recommends some answers to these questions.

The crisis of homelessness is the culmination of policies which have either ignored or misdiagnosed the adverse impact of economic shifts, the lack of affordable housing, increased drug abuse, and other physical health and mental health problems of those who are the most vulnerable in American society. Adding to the impact of these causes were changing family structures and a breakdown in social institutions.

Two broad classes of problems are identified: the first, "crisis poverty," refers to homelessness that may be traced chiefly to the stubborn demands of ongoing poverty, made untenable by some unforeseen development; the second, "chronic disability", refers to homelessness accompanied by one or more chronic, disabling conditions, and presents a more complicated picture.

The picture assembled suggests that a prudent policy must be two-fold. Government must address the needs of homeless and at-risk families, including the specific needs of children, and individuals vulnerable to "crisis poverty," many of whom move in and out of an assortment of makeshift housing. At the same time, it must attend to the more complex situation of those who

also suffer from disabling conditions, the chronically disabled, for whom stable living will be an artful marriage of rehousing and rehabilitation.

The ultimate objective of this report is to achieve the goal of "a decent home and a suitable living environment" for every American. It cannot escape notice that this was also the as yet unmet aim of the Housing Act of 1949. Just as we continue to hold this aspiration dear, so too must we learn from the lessons of unsuccessful attempts to achieve it. We must remember that government's role is to help people help themselves; that the government is most effective when it relies solely neither on the invisible hand of the marketplace nor the heavy hand of policies which reward inertia and punish initiative; that government is at its best when it offers instead a helping hand to those willing to climb onto the first rungs of the ladder of economic opportunity; and that ultimately, government action cannot substitute for the individual's will or responsibility. The Clinton Administration has already recognized this by pursuing comprehensive health care and welfare reform. We too must have the courage and candor to recognize both our past successes and failures and to look both compassionately and candidly at the situation that confronts us.

The new policy initiatives recommended in the plan grow out of a detailed analysis of the risk factors and structural causes of homelessness, as well as the most widespread survey ever of homeless providers, advocates and homeless individuals across the nation. They reflect the views from numerous agencies in the Federal government, as well as actors throughout the system. They also have been shaped by the lessons we have learned over the past decades, which have witnessed substantial initiatives and efforts on the State and local levels, and a Federal response which has evolved over time into a patchwork quilt of overlapping programs. They grow out of the recognition that if we are to address effectively both the emergency homeless situation and its underlying causes, we must first be honest about who the homeless are and why they are homeless. This recognition must be reflected in policies so that we can address the needs of both categories of homelessness: those experiencing crisis poverty, and those with long-term chronic disabilities.

The recommendations propose a two-pronged strategy: I) implement and expand emergency measures to bring those who are currently homeless back into our communities, workforce and families; and, II) address structural needs to provide the necessary housing, and social infrastructure for the very poor in our society to prevent the occurrence of homelessness.

We recommend a full-scale attack on homelessness, focusing public and private sector energies to make a real difference during the next four years. Immediate steps with a potential for dramatic effect are recommended. These include:

"Reinvent" the Approach: The current approach is plainly not working and must be changed. We recommend an overhaul of the government programs and policies designed to address homelessness and a restructuring of the relationship between the Federal, State and local governments and the not-for-profit provider community. The Federal

Government should get out of the business of contracting for homeless services on the local level. Local government should be responsible for marshalling resources and assessing needs. Government at all levels should move towards an approach whereby not-for-profits actually deliver services. To accomplish this "reinvention," we recommend that the majority of McKinney Act programs to aid the homeless be reorganized and consolidated to provide a streamlined application process, enabling localities and providers to focus their energies on helping homeless people rather than filling out forms and grant applications. We also recommend that mainstream programs be more responsive to homeless persons and those most at risk of becoming homeless, with some McKinney programs linking more closely with their mainstream counterparts. The systems put in place should provide and coordinate emergency, transitional and permanent housing in a "continuum of care."

A continuum of care system provides necessary emergency housing and a continuum of housing and supportive services for homeless individuals and families to gain independent living or supportive living. This system recognizes that some homeless people need supportive services and permanent housing and others are just in need of safe, decent and affordable permanent housing.

Increase Homeless Assistance: With the reorganized, more effective approach outlined above, an increase in funding is a worthwhile investment. We have recommended an immediate doubling of the HUD homeless budget from \$823 million to \$1.7 billion dollars and an increase in overall homeless assistance funding to \$2.1 billion. This recommendation has been accepted and is included in President Clinton's FY 1995 budget proposal. While a significant increase in expenditures, we believe it is justified and necessary to address the needs of the current emergency as well as the immediate implementation of preventive programs.

Make Mental Health, Physical Health, and Substance Abuse Health Services Work for the Poor: We must address through health care reform and enhanced coordination between services and housing the specific needs of those who comprise the second category of homeless people in this country -- homeless men and women with chronic disabilities. The most visible portion of the homeless population, and the most desperate, are men and women with severe and persistent mental illnesses, substance dependency or chronic health problems (i.e. tuberculosis, AIDS). These problems can be exacerbated by a lack of decent and affordable housing. When left untreated, conditions such as diabetes, hypertension and chronic respiratory problems render this population especially vulnerable. Although people with chronic disabilities comprise a minority of the homeless and at-risk population, they are often the most visible because they tend to congregate in parks, transportation thoroughfares and other public spaces.

This proposal anticipates the use of established public and private mental health, medical, and substance abuse providers to initiate street outreach efforts, the utilization of safe havens, and the implementation of a continuum of care for homeless persons to help

them move from transitional housing, with supportive services, when needed, to stable housing and adequate aftercare and continuing services for those who require them while in permanent housing.

Long-term comprehensive human and community development, combined with the necessary funding and integrated service delivery systems, is the ultimate solution. We recognize the full solution will require a multi-year, resource intensive effort that is made difficult by the incredible economic constraints. However, the Clinton Administration has taken significant steps toward achieving the goal of comprehensive long-term community and economic development. Empowerment Zones, Goals 2000: Educate America Act, the Administration's job training agenda which "mainstreams" services to homeless people as part of the Job Training Partnership Act, significant expansion and improvement of Head Start, proposed legislation to establish Community Development Financial Institutions, more effective enforcement of the Community Reinvestment Act, and comprehensive welfare and health care reform are among the important components of the Administration's Community Investment Strategy. This report recommends further steps to increase the supply of affordable housing and improve linkages between economic and human development:

Increase Housing Subsidies and Fight Discrimination: We must begin to repair the damage caused by the misguided and harmful housing budget cuts of the 1980s. To start down this long road, we have recommended an increase in the overall HUD budget of nearly \$2 billion. The ultimate goal of these increases is to provide those who are homeless or precariously housed with the necessary resources to obtain housing. In recognition of and to address the shortages of affordable housing and rent burden in rural areas, we recommend an increase of more than \$70 million in the FmHA Section 521 rental assistance program in 1995. These recommendations have been accepted and are included in President Clinton's FY 1995 budget proposal. It is imperative that Congress enact these requests.

And, to ensure that permanent housing -- both housing providing supportive services and traditional low-income housing -- can be freely sited, we must aggressively enforce Federal fair housing laws.

Low-Income Housing Tax Incentives: We must act to take pressure off the homeless emergency system by undertaking efforts to stem the flow of families experiencing crisis poverty. Lower income households pay disproportionately higher shares of income for the cost of housing. We should explore use of tax incentives to assist lower income households with rental and housing costs. Special attention should be given to initiatives that would work together with existing tax incentives to insure that those who work are not left to the streets because of the discrepancy between their income and affordable rents.

Economic and Human Development/Social Contract: We must place increased emphasis on the linkages between job training, employment, education and economic development

and implementation of a new social contract that recognizes both individual and family rights and responsibilities. While government should help people help themselves, it is not a substitute for individual will. It makes little sense to create jobs for people who have not received the training needed to fill them. At the same time, the public has the right to expect that needy individuals take advantage of the training and other services available to them. Similarly, as individuals with chronic disabilities receive access to necessary services, they should be encouraged to move from the streets to appropriate facilities. The goal is to help individuals and families help themselves and provide them with the opportunity to better themselves. This new social contract is mutual.

Vice President Gore's National Performance Review has initiated reforms across Federal agencies and provides a framework for numerous specific actions which must be undertaken to coordinate the maze of programs and bureaucracies. We look forward to implementing this plan with the Members in Congress, particularly the leadership provided by the Speaker's Task Force on Homelessness, and with Members of the Senate who have long represented those who are homeless.

What was first stated in the Douglas Commission Report, Building the American City, in 1968 remains true today:

"Because of the documented desperate housing needs of the poor, which are generally underestimated; as a consequence of the large subsidies-income tax deductions for interest and property taxes, and grants for suburban development available to the middle and upper income groups; as a moral responsibility arising from the fact that public action has destroyed more housing for low-income Americans than it has built; as result of the unwillingness of the country in the past to meet even the minimum goals for public housing authorized in the 1949 Act; this Nation now has an overwhelming moral responsibility to achieve within the reasonably near future a decent home and a suitable living environment for every American family which it pledged itself to achieve 20 years ago. We believe this can be done through increased effort and activity at every level of government, and by the private sector."

While the road to a total solution for homelessness is a long one, the direction is clear. These recommendations, if enacted, represent a positive step forward.

Introduction

Introduction

"Homelessness can be viewed as an extreme form of poverty. . . ."

Speaker's Task Force on Homelessness

Congressman Bruce Vento, Chair

In May 1993 President Clinton signed an Executive Order directing the 17 agencies that comprise the Interagency Council on the Homeless (ICH) to prepare "a single coordinated Federal plan for breaking the cycle of existing homelessness and for preventing future homelessness." This action, coming from a new President during his first months in office, sent a clear message to his Administration and the nation that homelessness would not be a back-burner issue during his tenure. This message was reinforced in October 1993 when Carol H. Rasco, Assistant to the President for Domestic Policy, invited the member agencies of the Interagency Council on the Homeless to become a Working Group of the White House Domestic Policy Council.

Plan Development and Consultation Activities

Immediately following issuance of the Executive Order, the ICH Chairman, Housing and Urban Development (HUD) Secretary Henry G. Cisneros, and Co-Vice Chairs Health and Human Services (HHS) Secretary Donna E. Shalala and Veterans Affairs (VA) Secretary Jesse Brown, initiated an unprecedented process of consultation and review. An eight-month, nationwide effort was launched that reached over 14,000 representatives of State and local governments, not-for-profit providers of services and housing, advocates for homeless people, economic and community development leaders, educators and social service professionals, and currently and formerly homeless individuals and families. At the same time, a careful review was undertaken of current policies and programs within the Federal Government, accompanied by an analysis of the history of their development. VA's review of its interviews of the thousands of homeless veterans annually served by its own homeless assistance programs provided additional information to develop this Plan.

In addition, shortly after issuance of the Executive Order, agency representatives from these 17 agencies began meeting to coordinate the development of the Plan. A Plan Working Group was established, and member agencies began the process of reviewing existing programs and identifying opportunities for improvements.

The Executive Order also required consultation with State and local governments, not-for-profit providers of services to homeless people, advocates, and currently or formerly homeless individuals and families. In a sustained effort to formulate a truly representative policy on homelessness, an unprecedented outreach and consultation process was employed. It was designed to encourage the greatest possible participation and involvement by those who are in

the best position to recommend solutions: homeless individuals and families and those who assist them.

Interactive Forums and Mailings

Between June 1993 and February 1994 the HUD Office of Community Planning and Development (CPD), along with the Interagency Council on the Homeless, sponsored 17 interactive forums throughout the country. (See Appendix A for a list of the cities in which the forums were held.) In addition to providing an opportunity to discuss community development programs and initiatives, a primary objective of these forums was to solicit input on the Federal Plan during breakout sessions dedicated exclusively to this purpose. Over 10,000 individuals representing a broad variety of State and local governments, not-for-profit organizations, advocates, and homeless people attended the forums. Their contributions proved to be extremely valuable in developing the plan.

To supplement the input from the interactive forums, Secretary Henry G. Cisneros sent a letter and a questionnaire asking for recommendations for the Federal Plan to more than 12,000 organizations and individuals. The responses received from this mailing were added to the forum input. An analysis was conducted using a sample of the responses to assess the general direction of response.

Consultation with Homeless People

"They think we don't care, but we really do."

Shelter resident of the Pine Street Inn, Boston, Massachusetts

In addition to the participation in the forums by homeless people, 400 individuals residing in shelters and transitional housing in ten cities were interviewed and asked to complete the same questionnaire that was mailed to those on the Interagency Council's mailing list. This unprecedented consultation follows years of concern that no constituency has been more isolated from government processes than homeless Americans.

Outline of the Plan

This document describes the changing nature of homelessness in America, briefly reviews the characteristics of the homeless population, and goes on to sketch the causes and limit the scale of the problem. It then turns to a concise history of programs mounted to assist homeless individuals and families in the 1980s. It attempts to take the measure of those efforts as a way of discerning what still needs to be done -- or is to be done differently altogether.

Part I, "Homelessness Revisited," draws a profile of contemporary homelessness. Two broad classes of problems are identified: the first, referred to as "crisis poverty," homelessness that may be traced to the stubborn demands of ongoing poverty, made untenable by some unforeseen development; the second, "chronic disability", refers to homelessness accompanied by one or more chronic, disabling conditions, and presents a more complicated picture.

This section also summarizes the results of cross-sectional studies of homeless populations, while recognizing that significant local variations limit its instructive value. Commonly, homeless persons tend to be unattached men and women, often with frayed or badly worn ties with family and friends, who are under 40, out of work and living on next to nothing. They show unusually high prevalences of severe mental illness, substance abuse, institutional histories and foster care placement; minority groups (African-Americans and Hispanics, especially) and veterans are disproportionately represented.

Turning to structural causes of homelessness, the discussion reviews the contributions of poverty, a changing labor market, cutbacks in income assistance programs, the scarcity of affordable housing, and recent changes in family structure. Such individual risk factors as substance abuse, severe psychiatric disorder, or chronic health problems increase vulnerability to homelessness and darken prospects for leaving it. All of these factors have acquired unusual power to displace people because of changes in the ability of kinship to cushion hardship and the depletion of marginal housing markets.

Part II, "Recent Efforts to Address Homelessness," provides a summary of local, State and Federal efforts for the past decade or so. It gives a detailed breakdown of the present array of Federal efforts. Evaluations of such programs, while recognizing their accomplishments, have also deplored the fragmented and ill-coordinated nature of the improvised service and emergency housing system that has resulted.

A demanding roster of unfinished business is next examined. The list ranges from street homelessness to the standing failure of community mental health to reach many of those most disabled by psychiatric afflictions and/or substance abuse, to the relatively "invisible" problem of rural homelessness, to the huge reservoir of the precariously housed, to the frustrations of a weary, restive public. The lessons to be drawn include:

- (a) the need for prevention;
- (b) the successes of outreach to the street population;
- (c) the considerable and enduring successes of supportive housing as an alternative to institutionalization and the inefficiencies of having a separate system just to serve homeless individuals and families;
- (d) the need to address the special problems of minorities;
- (e) the need to address the special problems of children and their families;
- (f) the need for improved coordination and reduced fragmentation of programs;
- (g) the need for a continuum of care; and
- (h) the positive strengths of the not-for-profits providers in delivering services to homeless individuals and families.

A lasting solution to the cycle of homelessness is not a mystery. There is no shortage of existing Federal plans to deal with homelessness or of recommendations for action. Many offer the same suggestions, few have been implemented and most have been ignored. None have yet resulted in actions to effectively stem the dramatic rise in homelessness across our nation. **Parts III and IV** in this Federal Plan build on the often wise analysis and extensive consultation that has come before. It recognizes that the ultimate answer to homelessness is also the answer to poverty. While comprehensive community development to address crisis poverty and to permanently provide services for those who are mentally or physically disabled are, of fiscal necessity, long-term goals, a small number of immediate steps can dramatically move homelessness from a crisis situation to recovery.

Homelessness Revisited

Part I: Homelessness Revisited

1. The Face of Homelessness
2. The Scale of Contemporary Homelessness
3. Homeless Defined
4. Characteristics of the Homeless Population
5. Causes of Homelessness
6. Why These Factors Translate into Homelessness
7. Building on What We Have Learned

1. The Face of Homelessness: No Longer a Poor Apart

A simple conviction lies at the heart of this document: it profits us nothing as a nation to wall off homelessness as a novel social problem made up of a distinctly "different" population. Nor is it something that requires separate and distinctive mechanisms of redress, isolated from mainstream programs. In fact, the more we understand about the root causes of homelessness, the greater our sense of having been here before.

To put it plainly, homelessness in the 1990s reveals as much about the unsolved social and economic problems of the 1970s as it does about more recent developments. This plan reveals and documents that the crisis of homelessness is greater than commonly known or previously acknowledged. Researchers have found that as many as 600,000 people are homeless on any given night (Burt, 1987). Recent research reveals the startling finding that about seven million Americans experienced being homeless at least once in the latter half of the 1980s (Link, 1992 and Culhane, 1993). Hence, its resolution will require tackling the enduring roots of poverty, as well as complications introduced by psychiatric disability, substance abuse, and infectious disease. That task is rendered more difficult by today's economic realities and severe budget constraints.

By the middle of the 1980s, the number of homeless people had surpassed anything seen since the Great Depression. Disability, disease, and even death were becoming regular features of life on the streets and in shelters. For the first time, women and children were occupying quarters formerly "reserved" for skid-row men. Psychiatric hospitals continued to discharge people with little hope of finding, let alone managing, housing of their own. Crack cocaine emerged as a drug of choice for those on the margins of society. A new scourge -- HIV/AIDS - - joined an old one -- tuberculosis -- to become major afflictions of the homeless poor.

Yet for all that, there remained something disconcertingly familiar about this new homelessness. What America glimpsed on the streets and in the shelters in the 1980's was the usually hidden face of poverty, dislodged from its customary habitat.

Homelessness can be understood as including two broad, sometimes overlapping, categories of problems. The first category is experienced by people living in "crisis poverty". Their homelessness tends to be a transient or episodic disruption in lives that are routinely marked by hardship. For such people, recourse to shelters or other makeshift accommodations is simply another way of bridging a temporary gap in resources. Their housing troubles may be coupled with other problems as well -- dismal employment prospects because of poor schooling and obsolete job skills, domestic violence, or poor parenting or household management skills -- which require attention if rehousing efforts are to be successful. But their persistent poverty is the decisive factor that turns unforeseen crises, or even minor setbacks, into bouts of homelessness.

For those individuals who fall in the second category -- homeless men and women with chronic disabilities -- homelessness can appear to be a way of life. Although a minority of those who become homeless over the course of a year, it is this group that is most visible and tends to dominate the public's image of homelessness. Alcohol and other drug abuse, severe mental illness, chronic health problems or long-standing family difficulties may compound whatever employment and housing problems they have. Lacking financial resources, and having exhausted whatever family support they may have had, they resort to the street. Their homelessness is more likely to persist. Disability coupled with the toll of street-living make their situation more complex than that of those who are homeless because of "crisis poverty". Those with chronic disabilities require not only economic assistance, but rehabilitation and ongoing support as well.

For the most part, homelessness relief efforts remain locked in an "emergency" register. Many existing outreach, drop-in and shelter programs address the symptoms of homelessness and little else. Although of proven promise in dealing with the disabled homeless poor, supportive housing options remain in scarce supply. Increasingly, it has become clear that efforts to remedy homelessness cannot be fully effective if they are isolated from a broader community-based strategy designed to address the problems of extreme poverty and an inadequate supply of housing affordable by the very poor. Lasting solutions to homelessness will be found only if the issue is productively addressed in ongoing debates concerning welfare reform, health care reform, housing, community and economic development, education, and employment policy.

2. The Scale of Contemporary Homelessness

The following changes discussed in this Plan have had profound impact on the ability of people, especially poor people, to maintain stable housing. Accurately measuring the scope and magnitude of "residential instability" (Sosin et al., 1990) -- with homelessness as its most extreme manifestation -- has proven controversial. The debate has ranged from which definition of homelessness is most appropriate to the limitations of or biases in various research methods used to estimate the size of the homeless population. Our understanding has evolved as data collection techniques have advanced from single day or one week counts to computerized annual

(or longer time frame) unduplicated counts. Strikingly, when researchers turn to charting the use of shelters over time, a picture of widespread vulnerability to homelessness emerges.

Point-in-time estimates

Early methodologies for taking the measure of homelessness depended upon one-time counts in shelters, soup kitchens, other service sites, and street settings. Such counts are referred as "point prevalence" counts, since they capture only those people homeless at a specific point in time. One such widely cited figure for a national point-in-time estimate was generated by the Urban Institute study. Researchers found that as many as 600,000 people were homeless during a seven day period in March 1987 (Burt and Cohen, 1989).

These narrow frame pictures were, until recently, the most comprehensive we had. However, such "snapshot" counts, and the descriptions of homeless people based upon them, can be highly misleading if they are taken to imply that the homeless population is a static one. In fact, as recent analyses have shown, large numbers of people flow through shelters over time.

Estimates over time

Studies completed only in the last year have made use of sophisticated local administrative record keeping systems to yield new insights into the dynamics of homelessness by measuring turnover in shelters. These new studies suggest that the number of individuals and families who experience at least one episode of homelessness during longer intervals (typically one to five years) may exceed the best estimates of single-shot street and shelter counts by a factor of ten or more.

- A recent study of shelter systems in New York City and Philadelphia document the large turnover of persons using shelters (Culhane, et al 1993). For example, in New York, a single shelter bed accommodates four different persons each year. The one-day, and one-, three- and five-year counts of persons in shelters were 23,000, 86,000, 162,000 and 240,000 persons, respectively.
- The turnover in the Philadelphia shelters is even more dramatic, with each bed accommodating six persons per year. The one-day, one- and three-year counts were 2,500, 15,000 and 43,000 persons, respectively (Culhane, 1993).
- Analysis of annual counts in other cities such as Columbus, OH, and St. Paul, MN, and the State of Rhode Island reveal similar patterns of turnover (Burt, 1993).

The New York City analysis found that the number of homeless persons using public shelters over three and five years amounted to 2.2 and 3.3 percent of the city's populations,

respectively.¹ For Philadelphia the percentage of persons using shelters over three years was three percent of that city's population.

The results of local studies of shelter turnover converge with those of a recent national study. A nationwide telephone survey of over 1,500 (currently housed) adult Americans found that over three percent of those interviewed had been homeless at some point between 1985 and 1990 (Link et al., 1993). In this sample, the confidence interval of the estimate ranged from 2.3 percent of the adult population to 4.4 percent.

Thus, based on these samples, the number of adults experiencing homelessness was between four and eight million at some point in the latter half of the 1980s.² When the number of children is added, the range for the total population is 4.95 million to 9.32 million, with a mid point of approximately seven million.³

But even these estimates of the number of persons experiencing homelessness do not take into account the large number of extremely vulnerable persons who are on the edge of homelessness. There are approximately 1.2 million families on public housing waiting lists and an additional one million awaiting Section 8 vouchers. There are also those who are involuntarily doubled up with friends and relatives, and those who are paying more than 50 percent of their income for rent.

The clear point is that recent studies confirm that the number of persons who have experienced homelessness is very large and greater than previously known or acknowledged. This supports several basic thrusts of this report. To make real inroads into reducing homelessness we need to make some real progress in reducing poverty and providing adequate affordable housing for those who are on the edge of homelessness. And we need to step up our efforts to prevent homeless by those who are living on the edge.

The impact of time frames and turnover on assessing characteristics

The distinction between point-in-time and estimates over time is important when analyzing the characteristics of homeless populations and when designing policy responses. People suffering from any of a number of disabling conditions are less likely to exit from

¹Further confirmation of the magnitude of recent homelessness in New York is provided by the 1991 Housing and Vacancy Report for that city. Among housed residents in New York in early 1991, 176,000—or three percent of the total—had experienced at least one bout of homelessness in the previous five years. (For purposes of the study, homelessness was defined as anyone who came to that dwelling unit during the last five years "from a temporary residence such as a friend's or relative's home, shelter, transitional center, or hotel" [p.45]). At the time of the study, 14 percent of those who reported prior homelessness were living in doubled-up situations (Stegman, 1993).

²As the Link study was performed by a telephone survey it did not reach or include people currently homeless and households without telephones. If these adjustments were made the estimate would likely be higher. The study did not report in any way the cause or reason for the person's homelessness.

³The number of children is estimated at 15 percent of the total homeless population (Burt and Cohen, 1989) and applied to the adult population estimates (Link et al, 1993).

homelessness, and thus are more likely to appear in studies conducted over brief time frames. As a result, most "snapshot" accounts of those in shelters and on the streets include disproportionate numbers of people with chronic disabilities or other problems that make it difficult for them to live independently. Although the severely mentally ill, for example, make up between a quarter and one half of the literally homeless single population on any given day, they comprise a much smaller percentage -- between 5 and 25 percent -- of those in the course of a year (Burt, 1993). The more dynamic view, exemplified by the studies reviewed above, suggests that many people are at risk of being homeless for short periods, often simply because their incomes are very low and their family savings and other sources of support in hard times are insufficient.

A better understanding of the dynamics of residential instability over time would reveal more about the relationship between short- and longer-term homelessness, including how frequently and under what conditions one leads to the other. The analysis thus far in this Plan has profound implications for rethinking both remedial and preventive measures to end homelessness. One conclusion is inescapable: for many Americans crossing the line between extreme "crisis" poverty and homelessness has become largely a matter of timing -- not when, but how often. We must serve "at-risk" families and individuals in "crisis poverty," including the large groups of very poor families and individuals who move in and out of precarious housing. For those individuals with long-term chronic disabilities such as severe and persistent mental illnesses and substance abuse problems, we will need to provide treatment, support services and housing.⁴

3. "Homeless" Defined

Advocates cultivated the use of the word "homeless" in the late 1970s, intending it as a non-stigmatizing way of referring to the street-dwelling poor and their counterparts in shelters. Faintly archaic itself, the term seemed well-suited to a kind of poverty that had virtually vanished from the American landscape nearly four decades earlier. As the full dimensions of the problem have come into sharper focus, however, it is becoming clear that the term is showing signs of strain.

In the Stewart B. McKinney Homeless Assistance Act of 1987, the legislation which created a series of targeted homeless assistance programs, the Federal Government defined "homeless" to mean:

- (1) An individual who lacks a fixed, regular, and adequate night-time residence; and;
- (2) An individual who has a primary night-time residency that is:

⁴ Throughout this document there are references made to homeless populations. Citations are provided, which can be used to verify, where not stated, if reference is derived from a point in time study or a longitudinal study.

- (i) A supervised publicly or privately operated shelter designed to provide temporary living accommodations (including welfare hotels, congregate shelters, and transitional housing for the mentally ill);
 - (ii) An institution that provides a temporary residence for individuals intended to be institutionalized; or
 - (iii) A public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings.
- (3) This term does not include any individual imprisoned or otherwise detained under an Act of Congress or a State law.

People who are at imminent risk of losing their housing, because they are being evicted from private dwelling units or are being discharged from institutions and have nowhere else to go, are usually considered to be homeless for program eligibility purposes.

4. Characteristics of the Homeless Population

Findings from cross-sectional studies conducted during the past decade have added much to our understanding of characteristics of homeless populations (Rossi, 1989). Although significant regional differences exist, it may be useful to offer a summary statistical sketch compiled from the studies that have been done.

Family Status

Single, unattached adults, unaccompanied by children, make up about three quarters of homeless persons. Men outnumber women by a factor of five. Families with children, more than 80 percent of whom are headed by a single mother, make up another fifth. The remainder are adults in couples or other groupings (Burt, 1992). In some communities, a substantial population of homeless young adults and adolescents may be discerned, though they are rarely included in standard studies. National estimates of this group range from 1.3 to 1.6 million homeless youth annually (HHS, 1993).

Age

Average age for unattached homeless adults is in the later 30s; that of mothers with children is in the young 30s (Burt, 1992).

Race and Ethnicity

Studies have repeatedly shown that minorities are disproportionately represented among the homeless population, especially among families (Burt, 1992; Rossi and Schlay, 1992).

African-Americans, for example, form a larger fraction of both poor people (28%) and homeless persons (40%) -- and have done so consistently throughout the 1980s -- than their proportions in the general population (Burt & Cohen, 1989).

Institutional History

Only one in four homeless men has no history of any institutional stay, whether it be hospitalization, jail or prison, or inpatient chemical dependency treatment (Burt, 1992). Only half have completed high school.

Health Status

At least half of the adult homeless population has a current or past alcohol or drug use problem. Up to one-third of the adult homeless population have severe mental illness (HHS, 1992). Other health problems occur with uncommon frequency; most lethal among them are HIV/AIDS and resurgent tuberculosis (National Health Care for the Homeless, 1993).

Income and Employment

Homeless persons tend to be very poor. Average monthly household income among homeless people in Chicago was less than \$174 (Rossi, 1989). In a national sample, average monthly household income among homeless persons was less than \$200, regardless of household composition (Burt, 1992). Interestingly, the Urban Institute reported that over a third of the homeless persons enumerated in shelters in the 1990 Census had worked within the previous week (Burt, et. al., 1993). Only half of homeless men have been found to have completed high school (Burt, 1992).

Foster Care

For reasons still poorly understood, a disproportionate number of adult homeless persons -- ranging from 9 to 39 percent, depending upon the study -- spent some time in foster care while children (Blau, 1992). A New York study found that this was even more striking for unattached homeless women, who were twice as likely as their male counterparts to have had an institutional or foster care placement as their principal living arrangement while growing up (Crystal, 1984).

Homeless Children

Homeless children face significant barriers to receiving the same public education as their non-homeless peers. As many as one third of homeless children may not be attending school on a regular basis (US Department of Education, 1992). Children who are homeless with their family members often suffer not only disruption in their education, but serious emotional and developmental problems that can persist long after their

families find permanent housing. African-American children use shelters at the highest rate of any group (Culhane, 1993).

Homeless Veterans

Approximately 30 to 45 percent of the entire adult male homeless population have served their country in the armed services. About 98% of these homeless veterans are male, but the population of homeless female veterans is growing. In addition, approximately 40% of all homeless veterans are African-American or Hispanic. Homeless veterans tend to be older and more educated than non-veteran homeless adults, but otherwise share the same characteristics as homeless non-veterans. One notable exception is that about 10% of homeless veterans also suffer from post traumatic stress disorder (PTSD).

"It is a national disgrace when men and women who have risked their lives for this country are reduced to sleeping on heating grates or in shelters.

VA Secretary Jesse Brown

5. Causes of Homelessness

"Homelessness does not happen in a vacuum. There is no one thing that causes homelessness and there will be no one thing that solves it."

Zenobia Embry-Nimmer

Emergency Services Network, San Francisco, CA

A decade of research and practical experience has confirmed that there are many varieties of contemporary homelessness. Manifold in its causes, duration, consequences and co-existing disabilities, its steady growth in the early 1980s reflected the confluence of a number of factors.

In accounting for homelessness, it is useful to distinguish among a number of levels of causation. Understanding the structural causes of homelessness is especially important when considering preventive strategies. When fashioning measures to reach those who are currently on the street, personal problems that contribute to the prolongation of homelessness must be addressed.

If stable residence is the goal of policy, appreciating the role of risk factors is essential. Psychiatric disability, substance abuse, domestic violence and chronic illness not only add to the likelihood that someone will become homeless, but complicate the task of rehousing someone already on the street. Among generic risk factors, poverty is the common denominator, but other circumstances have also been identified that increase the likelihood of homelessness: prior episodes of homelessness; divorce or separation among men, and single parenthood among women; leaving home or "aging out" of foster care among unattached youth; a history of institutional confinement in jails, prisons, psychiatric hospitals; and weak or overdrawn support networks of family and friends (Lindblom, 1991).

We must focus more attention on individual risk factors and the underlying structural causes potentiating these factors if the cycle of homelessness is to be broken.

"The problems I have are no adequate accessibility to job training or job skills – and no funds to obtain this training to get into the workforce."

Edward Burneh, K.C. Rescue Mission, Kansas City, Missouri.

Structural Causes

Poverty: In 1992, nearly 37 million Americans were officially classified as poor; this figure represented 14.5 percent of the population, up from 12.8 percent in 1989 (US Census Bureau 1993). Rates of poverty among African-Americans are consistently three times higher than among whites (33% v. 11.6% in 1992); for Hispanic-Americans, they are two and a half times higher. Female-headed households with children are particularly vulnerable to poverty; 48.3 percent of those living in these households were poor in 1992, a figure that rose to about 60 percent for African-American and Hispanic-Americans. Twenty-two percent of all children and 47 percent of African-American children lived below the poverty line in 1992. (US Census 1993). The percentage increase noted above translates into an increase of five million poor people between 1989 and 1992. During this period, the very poor (those whose incomes were less than 50 percent of the poverty threshold) increased by 3.0 million, adding greatly to the population high vulnerable to homelessness.

Recent studies suggest that over the past twenty years, poverty has become both more concentrated and more segregated (Kasarda 1993; Massey and Denton 1993). From 1970 to 1990 the number of census tracts with 20 percent or more poverty in the 100 largest cities increased from 3,430 to 5,596 (Kasarda 1993). Overall, the percent of poor living in central cities increased dramatically with African-Americans having the highest concentration of poor in these areas.

Over the past quarter century, government assistance successfully reduced poverty among the elderly because public demands dictated that our elderly not be neglected. Government policies are likely to follow public dictates—and public opinion is often shaped by the perception of what is possible. Programs and policies, such as Aid for Families with Dependent Children (AFDC) have not succeeded. By contrast, government efforts to improve the standard of living for elderly members of our society have succeeded.

Changes in Labor Market: The shift of the American economy from goods-production to services over the past quarter century has substantially altered labor markets and the demand for workers, especially in cities of the Midwest and Northeast. Wage-based incomes have become more polarized; income differentials have widened. A host of developments have jeopardized the employment prospects of those who lack appropriate skills or adequate schooling. These include: plant relocations and closures, persisting racial discrimination,

changes in industry which have increased the demand for highly educated people, the decline in the real value of the minimum wage, and the globalization of the economy. This pernicious combination of factors that devastated America's cities and urban economies did not spare America's rural heartland. Rural communities, particularly those host to the farming sector, experienced severe economic shocks, losing jobs, homes, and indeed a way of life.

Young African-American men have been especially hard hit. This is reflected in both unemployment data and in changes in work force participation, which reflects the fact that there are many discouraged workers who have dropped out of the work force and are no longer counted in unemployment statistics. Work force participation (percent of those employed) was over 70 percent both for African-American and white men aged 16 to 24 in the early 1950s. By 1985, there was a large disparity between the two groups: less than 45 percent of African Americans were working in this age group compared to about 65 percent for whites (Jaynes and Williams, 1989). The relative odds ratio of being employed between the two groups increased from zero to over 2.4

Prolonged periods of enforced idleness are hardly conducive to work habits, promotion of responsibility, or attachments to family or the labor force. In a culture that places a high premium on work, damage to self-esteem and the diminished respect of others surely follow. Not surprisingly, the lure of the "underground" economy as a source of income has grown.

The changing labor market also resulted in an increase in the number of workers who were working full time and still poor -- particularly those whose schooling stopped with high school or earlier.

Income Assistance: Families on AFDC have seen the real value of their benefits steadily decline for the past twenty years. From 1970 to 1992, the median inflation-adjusted monthly State AFDC benefit in July for a family unit of four with no income dropped from \$799 to \$435 in 1992 dollars (US House of Representatives, 1993, p. 668). In 1992, the combined value of AFDC and food stamp benefits for a family of four amounted to, on average, around two thirds of the official poverty threshold of \$14,335.

Changes in poverty have been influenced by government philosophy and priorities more than budgetary constraints. Over the past quarter century government assistance successfully reduced poverty among the elderly because public demands dictated that our elderly not be neglected. The percent of elderly that have been removed from poverty by cash transfer alone increased from 50 percent in 1967 to nearly 80 percent by 1985. By contrast, the percent of female-headed families with children that have been removed from poverty dropped during this same period from around 17 percent to around 11 percent. (Cottingham and Ellwood, p. 50) Among the reasons is that cash benefits have been declining for this group in real dollars and non-cash benefits, such as food stamps, Medicaid and housing assistance are not counted as income.

For single people, the picture was grimmer still: at the end of 1990, time-limited unemployment benefits reached a smaller proportion of the jobless than at any time in the previous twenty years. Never generous to begin with, state-administered "General Assistance" programs were severely cut and badly eroded by inflation during the 1980s. In 1991, reductions in benefits and culling of rolls affected over a third of General Assistance caseloads nationwide; similar cuts followed the next year and more are contemplated.

Lack of Affordable Housing: Growing numbers of poor households find themselves competing for shrinking supplies of affordable housing. Comparisons of numbers of lowest-income renters against units affordable with those incomes illustrate the extent of this problem. In 1991, the poorest one-fourth of renters totaled nearly eight million households. But nationally, fewer than three million units were affordable to this group, i.e., rented for less than 30 percent of the highest income of those renters (Dolbeare 1991). (HUD's programs often require 30% of a household's adjusted income). This "affordability gap" of five million in 1991 had widened by almost four million since 1970.

High real interest rates and increasing energy costs have contributed to the decline in the availability of housing affordable to very low income individuals by requiring landlords to charge higher rents to cover their capital and utility costs. Thus the cost of rental housing that meets minimal standards has risen out of the reach of many.

Losses of units with very low rents were particularly high among the marginal housing that once sheltered poor single adults, including old rooming houses and single room occupancy (SRO) hotels. Urban renewal and stronger housing code enforcement contributed to demolition or upgrading of this stock. Data on such units are imperfect, but huge numbers of inexpensive, unsubsidized units were lost. The number of people living in hotels and rooming houses with no other permanent address dropped from 640,000 in 1960 to 204,000 in 1980 and some 137,000 in 1990 (Jencks 1994). Because most of these losses occurred during the 1960s and early 1970s, some analysts conclude that shortages in the 1960s were "created largely by rising demand and only secondarily by falling supply".⁵ It seems likely that many of those now homeless or in emergency shelters have incomes and needs similar to the former occupants of this vanished stock.

Shortages of housing were greatest for the very lowest income: special tabulations of 1990 census data for every state and locality show that on average the ratio of affordable rental housing to every renter household with incomes below 30 percent or less of median is only .79. While the overall national supply of housing appears adequate for very low income renters with incomes less than 50 percent of median, there were great regional disparities. Disparities by location were greatest for renters with incomes below 30 percent of median: in Western cities

⁵Because housing markets tend to "clear" locally, national trends in aggregate supply and demand can mask important regional and local variation. In places like New York, for example, significant losses to the stock of low-cost single-room-occupancy units continued throughout the 1970s: over 60 percent of the 50,454 units enumerated in January 1975 had disappeared by April 1981 (Kansinitz 1984).

there were only .43 affordable units for each of these very poor households, while there were surpluses in non-metropolitan areas in all four census regions and in twenty states including North Dakota (Bogdon et al., 1993).

Widening gaps between numbers of very poor renters and of units they could afford translate into higher rent burdens. Between 1974 and 1989, the number of unassisted very low-income renter households paying more than one-half of their income for rent, or living in substandard housing, or both, rose from 3.6 to 5.1 million, with all of the increase attributable to severe rent burdens (HUD, 1991).

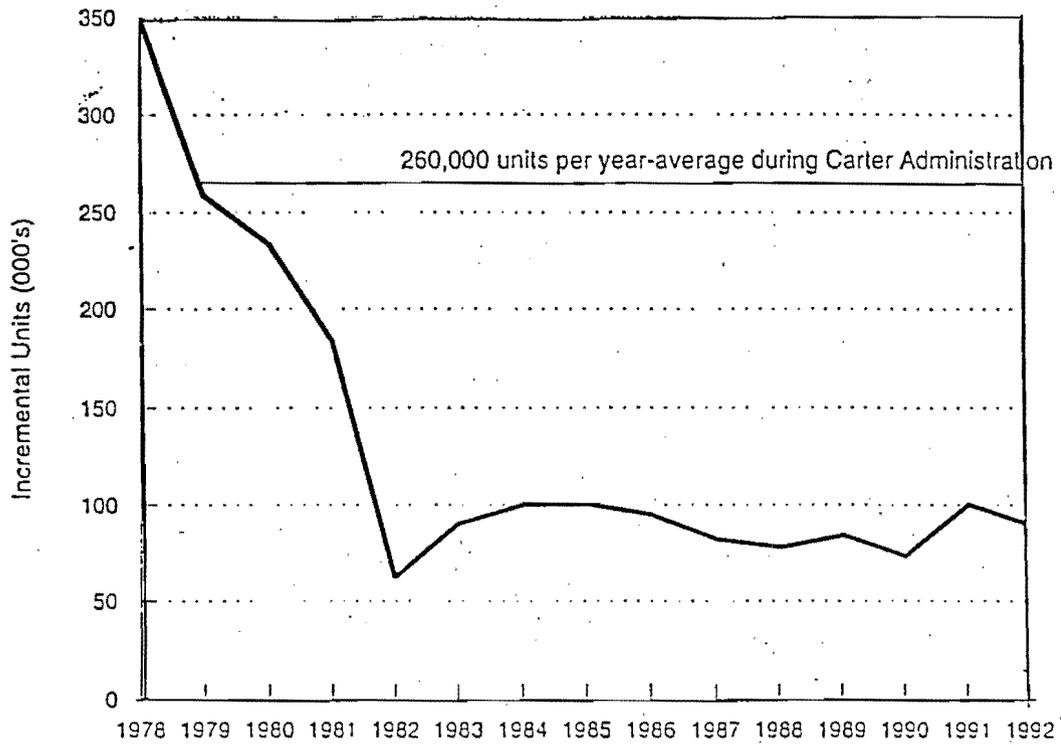
Growth in these severe "worst case" needs for housing assistance far outpaced increases in rental assistance during the 1980s, particularly among families with children. In 1990, nearly one-fifth (17.8 percent) of American renter households devoted more than half their income to meeting housing costs. Yet from 1981 to 1991, virtually alone among means-tested programs for the poor, budget authority for housing assistance actually declined.

As funding appropriated during the late 1970s produced housing during the 1977-1984 period, the number of additional households receiving assistance rose by an average of 219,000 each year. From 1985 to 1991, however, the average annual increase was only 61,285 (US House of Representatives, 1991 Green Book). Not surprisingly, then, in 1991 only 25 percent of eligible very low-income renters received rental assistance.

Rural poverty and housing affordability are also a problem. Nearly half of rural minority poor live in substandard housing. In 1990, there were 1.4 million rural occupied substandard housing units. Of the rural residents earning from \$5,000 to \$9,999 who are able to afford rent, 34 percent (770,000) must pay more than 30 percent of their income on rent. For those earning less than \$5,000, who are able to afford rent, 28 percent (625,000) must pay 30 percent or more of their income on rent. In FY 1994, the FmHA section 515 rural rental housing program had \$1.4 billion dollars in applications and preapplication proposals, far exceeding the amount of funds available for assistance.

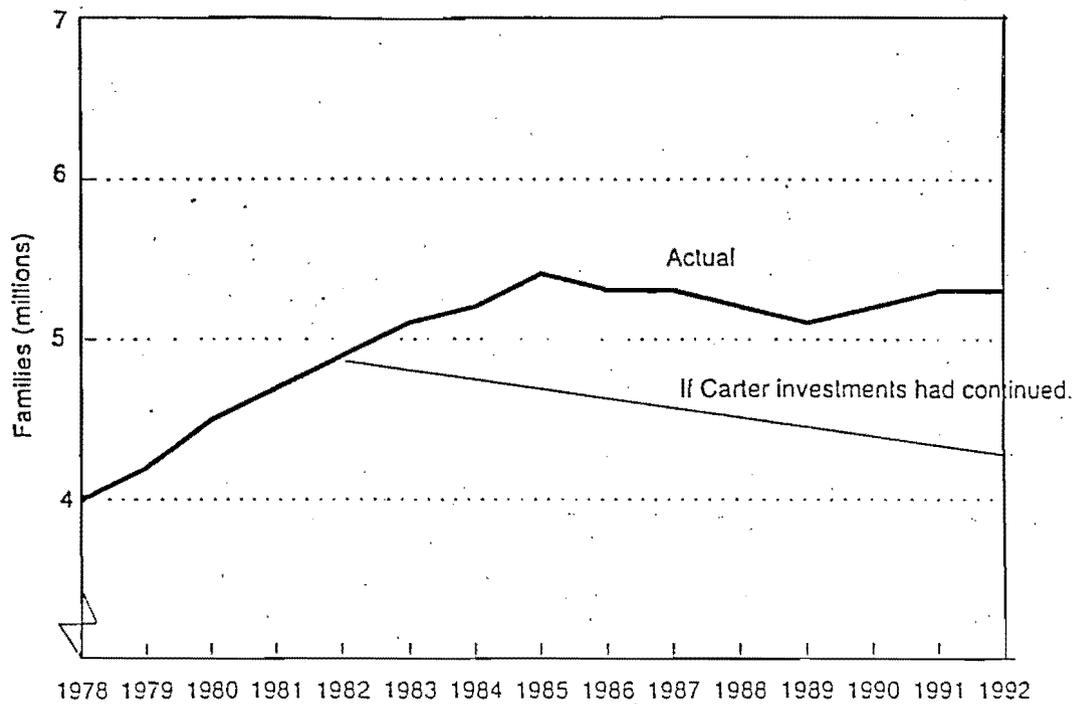
Two charts follow that illustrate the decrease in affordable housing during the previous decade.

Rate of New Families Assisted Decreases



Source: Detailed budget justifications, various years.

Needs Would Have Declined if Expenditures Had Kept Pace



Source: American Housing Survey, various years, and HUD's model of worst-case rental assistance needs. Worst case needs defined as families paying more than half of income for rent, displaced, or living in substandard housing.

Changes in Family Structure: The rise in single-parent families is one of the most significant demographic shifts of the last quarter century. In 1970, single-parent families accounted for 14 percent of all families; by 1992, that figure had grown to 22 percent. (Among African-Americans, the figure grew from 36 percent to 53 percent during the same period; for Hispanics, the figure grew from 22 percent to 32 percent from 1973 to 1992.) Female-headed households accounted for 39 percent of the officially poor population in 1991. Nearly half of all African-American children, and over two-fifths of Hispanic-American children, live in such households.

Single mothers with children constitute the largest percentage of AFDC recipients and make up 80 percent of homeless families as well (Lindblom 1991). Chronically strapped for resources, such households are held hostage to the slightest change in fortune. Inexperienced in managing households of their own, many of these young single mothers are at a heightened risk of homelessness. These difficulties for families also profoundly affect their children, who frequently experience disruptions in their schooling. If members of minority groups, they often face the added burden of discrimination.

Families try to cope with poverty the way they always have, by resorting to traditional means of resource-pooling. In fact, during the 1970s, the prevalence of doubled-up households among poor people in cities increased substantially, especially among African-Americans. However, the contributions of additional household members were less successful in raising these families above the poverty level than they had been a decade earlier (Stern 1993).

Drugs, Disabilities and Chronic Health Problems: The failure to address the treatment and rehabilitation needs of people with disabilities, chronic health problems, and mental health problems have contributed to a substantial increase in the number of people who are especially vulnerable to displacement and homelessness. Research studies throughout the 1980s consistently found that about half of the single homeless adult population suffer from substance abuse problems (Baumohl and Huebner, 1990). Habitual heavy drinking and drug use also figure prominently among the precipitating causes of homelessness. Substance abuse eats away material resources (such as money otherwise available for rent) and can sorely test the supportive social relations that customarily allow people to ride out spells of hard times without resort to emergency shelters. The evidence is strong, in short, that substance abuse is an important factor in the "selection" of homeless people from among others who are also poor. At the same time, the experience of homelessness itself may trigger heavy drinking and drug use by people who have not had such problems in the past, and may prompt renewed substance abuse by people whose earlier problems had been under control. Other chronic health problems pose unmet treatment needs for some homeless people, such as diabetes and HIV/AIDS.

6. Why These Factors Translate into Homelessness

A number of analysts (Sclar 1990; McChesney 1990; Shinn and Gillespie, 1994) have suggested that the situation of households at risk of homelessness may be likened to a game of musical chairs. Too many people are competing for too few affordable housing units. In such a game, those troubled by severe mental illness, addiction, or potentially lethal infections, as well as those simply inexperienced in the delicate balancing act that running a household in hard times requires, are at a serious disadvantage.

Under such circumstances, the changes sketched above--in kinship, government support and work--greatly complicate the task of relocating people who have been displaced from their homes. Traditionally, as noted earlier, extended households were on hand as the recourse of last resort in difficult times. Those among the poor who were without family could make do in sections of central business districts where rooms were cheap and food could be had through the efforts of local charities. Even difficult behavioral problems could be accommodated: such people simply moved frequently, in effect spreading the burden throughout the marginal housing sector. For those still able, spot work opportunities provided a source of income.

But extended families are finding it difficult to make ends meet. The slack in cheap housing is gone. And studies suggest that what is left of the casual labor market prefers more compliant recruits.

Faced with these changes, Federal homelessness policy must be both preventive and remedial in scope. It must do more than merely relocate those who are currently homeless. It must also stabilize such housing placements once made, while securing the residences of those who are precariously housed. Government must seek, in effect, to do with deliberation and planning what the private market once accomplished: make housing work again. In today's environment, to make housing work will frequently require an infusion of fiscal resources and support services. Such services should be viewed, not as "add-on" frills, but as essential enabling ingredients--on a par with debt service, insurance or fire control measures--that are needed for some housing to be feasible at all.

7. Building on What We Have Learned

"We must address the problems that render people homeless in the first place rather than focusing simply on getting them off the streets for the night. That is why I have designated addressing homelessness my number one priority."

HUD Secretary Henry Cisneros

Over a decade has passed since homelessness began its unprecedented postwar growth. During that time, social service agencies, advocates and researchers acquired a wealth of experience in dealing with homelessness. This collective experience has taught us that

homelessness is more complex and deeply rooted than some had originally forecast. Responsible policy must seek to address both the fundamental structures of poverty and the complicating risk factors specific to homelessness.

Solving homelessness will thus mean confronting the traditional sources of impoverishment: declining wages, lost jobs, poor schooling and persisting illiteracy, racial discrimination, public entitlements outpaced by inflation, chronically disabling health and mental health problems, the scarcity of affordable housing, and the increasingly concentrated nature of poverty. It will also mean confronting relatively new social phenomena that are adding to the costs of poverty: changes in family and household structures, the decline in traditional kin-based sources of support, and the proliferation of new drugs (such as crack cocaine) and socially-stigmatized infections, i.e. HIV and tuberculosis.

Accordingly, a comprehensive approach will have to mount initiatives on a number of fronts simultaneously. Homelessness will not be solved by simply outlawing the most visible evidence of its presence on the streets. Solving homelessness will require durable means of arresting the sources of residential instability -- both structural and personal -- that lie at its root. For virtually every homeless person, this will mean dealing with the affordability and availability of housing. For some, restoration of family ties and attention to the skills and resources needed to manage a household may be indicated. For others, appropriate treatment of mental illnesses and/or substance abuse problems will be essential if they are to be stably housed. Accommodating the diversity and range of assistance needs among homeless persons will require the development of comprehensive, yet flexible, community-based continuums of care -- much like those VA is working to develop through its Comprehensive Homeless Centers.

If we look further ahead, an even more ambitious agenda can be seen. This agenda will encompass long term community and economic development, education, training and job opportunities, the reinstatement of support services as part of the "welfare" apparatus, and attention to such neighborhood facilities as health clinics and day care centers. But budgetary constraints require a transition to this larger agenda that fully addresses poverty and its accompanying ills. Welfare and health care reform should begin to address many of these ills. In the short run, we will need to direct resources to ensure that those who are currently homeless receive the appropriate range of services and housing as needed, and that those poised on the brink of homelessness can be brought back from the edge.