

Homelessness - Issue Paper

Prepared for the American Planning Association
Policy Guide Development Process
September, 2002

Principal Author: Mitzi C. Barker, AICP
Rural Alaska Community Action Program
Vice-Chair, APA Housing & Community Development Division

With Input From: APA Housing & Community Development Division Members

Introduction

Twenty years ago the United States did not experience widespread homelessness. Tonight, approximately 800,000 people will be homeless. Over the course of a year, between 2.3 million and 3.5 million people will experience homelessness¹, despite a myriad of programs and organizations designed to address the problem, supported by nearly \$2 billion per year in federal investment.

Several factors have contributed to the rise in homelessness, including escalating housing costs in the 1980s that outstripped personal income growth; accelerated loss of affordable housing stock and declining rental assistance; decreased affordability and availability of family support services, such as child care. Other social changes (including new types of illegal drugs, more single parent and teen-headed households with limited earning power, and eroding familial support networks) have exacerbated the personal problems of many low-income Americans, increasing their vulnerability to homelessness.²

Homelessness is not only a problem of social policy, but is fundamentally an outgrowth of policies that determine how communities use land, develop housing, and foster economic opportunity. This brief paper frames key issues associated with homelessness in the U.S. today, and provides a foundation for an APA Policy Guide on Homelessness, identifying linkages between these issues and planning practice.

Statement of Issues

What is Homelessness? Federal Law³ defines a homeless persons as one who “lacks a fixed, regular, and adequate nighttime residence...and has a primary night residency that is: (A) a supervised publicly or privately operated shelter designed to provide temporary living accommodations...(b) an institution that provides temporary residence for individuals intended to be institutionalized, or (C) a public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings.” Also included are persons being discharged from institutions within a week who

¹ Millennial Housing Commission. Meeting Our Nation’s Housing Challenges. Washington, D.C.: U.S. Government Printing Office, 2002

² National Alliance to End Homelessness. A Plan: Not a Dream. How to End Homelessness in Ten Years. Washington, D.C.: NAEH. 2001

³ *Stewart B. McKinney Homeless Assistance Act*, 42 USC §11301 et seq. (1994).

do not have an identified residence to go to, and persons fleeing domestic violence. The definition excludes those who are in the corrections system, or detained pursuant to law.

This definition works well in large urban communities, where tens of thousands of persons are literally homeless, on the streets or in shelters. It has proven problematic in assessing the status of homeless persons in rural areas, where there are few shelters. In rural areas, people who are homeless are more likely to live with relatives or friends in overcrowded or substandard housing, or in less-than-habitable outbuildings.⁴ Frequently, these stays are sequential, that is, floating from one home to another until a permanent situation is found.

Who is Homeless? High housing costs and precarious, low-wage employment leave many American families today only a paycheck, illness, or car breakdown away from homelessness.⁵ One of the fastest growing segments of the homeless population is families with children. A 2000 survey of 25 cities, conducted by the U.S. Conference of Mayors found that 36% of the homeless population was comprised of families with children.⁶ This observation is corroborated by other research, which likewise indicates that approximately 34-38% of the homeless are families with children.⁷ In rural areas, families, single mothers, and children are the largest group of people who are homeless.⁸

About two-thirds of the people who experience homelessness over the course of a year are single adults. Most of these people are homeless for a very short time, and leave the homeless assistance system quickly. Others are perpetually homeless, cycling in and out of a variety of shelters, detention facilities, and the health care system.⁹

Single homeless adults are most often men between the ages of 31 and 50.¹⁰ Approximately 20-25% of this population experiences serious, ongoing mental illness.¹¹ Persons with addiction disorders are also evident in the single homeless population; however, the frequently-cited figure of 65% is considered by homeless advocates to be as much as twice the rate of actual prevalence.¹²

Runaway and “throwaway” youth are another element of the homeless population, and may include not only youth on the street or in shelters, but also students and children living in doubled-up housing, motels, and substandard housing, or “couch surfing” – the practice of ongoing but temporary stays with unrelated families or friends.

⁴ U.S. Department of Agriculture: *Rural Homelessness: Focusing on the Needs of the Rural Homeless*, 1996.

⁵ National Coalition for the Homeless. *Fact Sheet #1: Why are People Homeless?* Washington, D.C.: National Coalition for the Homeless, 1999.

⁶ U.S. Conference of Mayors. *Status Report on Hunger and Homelessness*. Washington, D.C.: U.S. Conference of Mayors, 2001.

⁷ Burt, Martha. *America's Homeless II: Populations and Services*. Washington, D.C.: Urban Institute, 2000.

⁸ Vissing, Yvonne. *Out of Sight, Out of Mind: Homeless Children and Families in Small Town America*. Lexington, Kentucky: University of Kentucky Press, 1996.

⁹ National Alliance to End Homelessness, 2001.

¹⁰ Burt, Martha and Barbara Cohen. *America's Homeless: Numbers, Characteristics, and the Programs that Serve Them*. Washington, D.C.: Urban Institute, 1989.

¹¹ Koegel, Paul, et al. *The Causes of Homelessness*, in *Homelessness in America*. Oryx Press, 1996.

¹² National Coalition for the Homeless. *Fact Sheet #3: Who is Homeless?* Washington, D.C.: National Coalition for the Homeless, 1999.

This segment has proven difficult to quantify, and is often not included in official counts of homeless people. One study that interviewed homeless youth found that approximately 1.6 million individual youths nationwide were homeless at least one night over the course of a year.¹³

Why are People Homeless? Homelessness results from a complex set of circumstances in which people are forced to choose between food, shelter, and other basic needs, such as medicine and preventive health care.¹⁴ Homeless advocates cite three principal reasons for homelessness:¹⁵

- Poverty: eroding work opportunities and declining income for lower-level workers (such as janitors, restaurant workers, retail clerks and stockers, manual laborers), coupled with decreasing welfare benefits and rental assistance funding.
- Lack of Affordable Housing: low-rent units are disappearing from the market - abandoned, demolished or converted into more expensive housing. Costs of new construction continue to escalate, while deep subsidies that provide direct rental assistance to the poor are declining. Waiting lists for housing assistance average thirty-three months in the nation's larger cities.¹⁶ Despite recent moves to increase the minimum wage, in no state does a full-time, minimum wage job enable most families to pay for a moderately-priced two-bedroom apartment.¹⁷
- Other Factors:
 - Domestic Violence – Women with no means of support other than their abusive spouses are faced with a Hobson's choice: battering or homelessness. Forty-six percent of the cities surveyed by the U.S. Conference of Mayors reported domestic violence as a primary cause of homelessness.¹⁸
 - Lack of Affordable Health Care – serious illness or disability can begin a descent into homelessness, beginning with loss of employment income, savings, and leading to eviction.
 - Mental Illness and Substance Abuse – Homeless people often face considerable barriers in obtaining treatment, including lack of insurance, documentation, transportation, lack of supportive services, ineffective treatment methods, and inability to comply with medication/treatment regimens. With treatment and appropriate supportive services, the majority of people who experience mental illness and substance abuse issues can succeed

¹³ Ringwalt, C.L., J.M. Green, M. Robertson, and M. McPheeters. *The Prevalence of Homeless Among Adolescents in the United States*. American Journal of Public Health, 1998.

¹⁴ National Coalition for the Homeless. *Fact Sheet #1: Why are People Homeless?* Washington, D.C.: National Coalition for the Homeless, 1999.

¹⁵ National Alliance to End Homelessness, 2001.

¹⁶ U.S. Department of Housing & Urban Development. *Waiting in Vain: An Update on America's Housing Crisis*. Rockville, Maryland: HUD User, 1999.

¹⁷ Menino, Thomas M. Editorial, Los Angeles Times, July 31, 2002. (Menino is the mayor of Boston, Massachusetts, and president of the U.S. Conference of Mayors.)

¹⁸ U.S. Conference of Mayors, 1998.

in permanent housing situations, which contribute to reduction of decompensation episodes and recidivism.

What's Being Done to Help the Homelessness? The homeless assistance system is principally made up of local public and private non-profit organizations who deliver a wide range of shelter and supportive services to people who become homeless. These services are generally funded through a patchwork of federal, state and local public funds, coupled with charitable giving funneled through United Ways and faith-based institutions. The aim of the homeless assistance system is to address the immediate needs of the homeless person and get them off the streets and into housing. Once housed, they may or may not receive additional direct services, depending on community resources and client need.

On the policy front, the federal government is encouraging collaborative planning at all levels. Local service providers must engage broad-based comprehensive planning for homeless services as a prerequisite for receiving federal homeless funding. The Interagency Council on Homelessness has brought federal agencies together to better coordinate the various programs that offer funding and services for the homeless. Several states have established similar interagency councils.

What is the Cost of Homelessness? Because they have no regular place to stay, people who are homeless use a variety of public systems in inefficient and costly ways. This tendency masks the true cost of homelessness by cost-shifting to law enforcement, corrections, health care, welfare, education and other systems. For example¹⁹:

- People who are homeless are more likely to use the most expensive health care interventions, such as emergency rooms. Homeless people spend on average four more days per hospital visit than comparable non-homeless people, at a cost of approximately \$2414 per hospitalization.
- Homelessness results from and aggravates serious health care problems, including addiction. Attempts to treat people who do not have stable housing is ineffective and costly.
- People who are homeless spend much time in jail or prison, often for petty crimes. It is not unusual for homeless people to continue to commit minor offenses so that they can return to the relative safety and warmth of a jail cell. The typical cost of a prison bed in a state or federal facility is \$20,000 per year, compared to a typical annual rent subsidy of about \$4500 - \$6000.
- Emergency shelter may be a convenient and perhaps obvious response to homelessness, but it is far more expensive than permanent housing for long-term occupancy, costing approximately \$8100 per year per bed - significantly higher than an annual rent subsidy.
- Compromised health and time in jail limit homeless people's employability, and create long-term reliance on welfare systems.

¹⁹ National Alliance to End Homelessness, 2001 (all of the examples cited appear in this NAEH policy document)

- Homeless children demonstrate serious developmental and learning delays, and are more likely to miss school than children with stable living situations. Poor educational experience can have lifelong impacts.

Preliminary Findings

1. It is neither accurate nor appropriate to think about the homeless as a relatively homogeneous group of dysfunctional persons. The Millennial Housing Commission has adopted a general way of categorizing the homeless, which provides a framework for considering how best to address and prevent homelessness²⁰:
 - **Transitionally homeless** persons are those who generally move quickly through the system, once they are able to access it. Their principal need is for housing, plain and simple. Income supports, including employment that pays a living wage is critical to keeping these families housed.
 - **Chronically homeless** persons experience health or substance abuse problems in addition to extreme poverty. They tend to be perpetual residents of the homeless assistance system, frequently rotating through and among a community's various shelter facilities and the streets. This population is best served by permanent supportive housing, which combines housing with intensive rehabilitation, treatment, and other social services.
2. The Continuum of Care planning process, mandated by the U.S. Department of Housing & Urban Development as a prerequisite to agencies' receiving funds, has helped service providers to come together, evaluate community needs, identify gaps and duplication of services, and establishes local priorities for use of grant dollars. The Continuum of Care approach, however, remains principally focused on helping communities frame an effective *response* to homelessness, rather than *preventing* homelessness in the first place.²¹
3. Planning for both immediate homeless services and prevention of homelessness demands that communities take a more comprehensive view of how the safety net does and does not work for both transitionally and chronically homeless persons. Local planning should go beyond the effort to create a homeless assistance system that manages people's experience of homelessness, but works to address the root cause of homeless and to provide immediate housing relief to anyone who becomes homeless. The homeless assistance system does not enjoy the depth and stability of funding that is available to more "mainstream" programs. Effective planning will need to embrace the mainstream programs, such as Temporary Assistance to Needy Families, Community Health

²⁰ Millennial Housing Commission, 2002

²¹ U.S. Department of Housing & Urban Development. *Evaluation of Continuums of Care for Homeless People*. Washington, D.C.: HUD User, 2002

Centers, Public Housing Authorities, Medicaid, and others, and involve them in developing prevention strategies.

4. Permanent, affordable housing is by far the most effective and least costly way to address homelessness.²² Many communities nationwide have recognized the need to increase stocks of affordable housing, and to preserve existing low-cost housing. However, despite many laudable local efforts, national housing policy has led to a steep, continuing decline in affordable housing; particularly housing that is affordable to persons at the lowest income levels.

5. Contributing to the shortage of affordable and supportive housing is an increasingly inadequate supply of appropriately-zoned land. Low-cost housing development fails to maximize profits for private developers, and results in reduced tax revenues to local governments (when compared to more expensive forms of housing). Housing owned by non-profit organizations may be exempt from local taxation while generating demand for local schools, infrastructure, and services.

Supportive housing may be further restricted by covenants and special permitting requirements. Such permitting requirements may restrict the type and frequency of services provided on site, the proximity of the supportive housing to other similar projects, and impose additional special limitations on density or number of units that exceed those of the zoning district classification.

6. Even when housing providers acquire, improve, re-use existing housing stock and agree to payment in lieu of taxes to support local infrastructure, they typically encounter intense neighborhood opposition. Opposition to supportive housing in particular tends to be protracted, resulting in increased development costs for projects that already have extremely low margins of economic viability.

7. Many homeless persons, particularly those most in need of permanent supportive housing, experience disabilities. Title II of the Americans with Disabilities Act (ADA)²³ states "no qualified individual with a disability shall, by reason of such disability, be excluded from participation in or be denied the benefits of the services, programs or activities of a public entity or be subjected to discrimination by any such entity." The Supreme Court decision in *Olmstead v L.C.*²⁴ interpreted Title II by requiring public entities to administer services, programs and activities in "the most integrated setting appropriate to the needs of qualified individuals with disabilities." In essence, *Olmstead* bans the "separate but equal" approach to accommodating disability. Although the decision has yet to be applied in a land use context, it certainly raises the issue of whether a

²² National Alliance to End Homelessness, 2001

²³ 42 U.S.C. §§ 12131-34

²⁴ *Olmstead v. L. C.* (98-536) 138 F.3d 893

community, in restricting zoning or permitting for supportive housing in a manner that limits the supply of such housing, violates the ADA.

8. Families and individuals at the lowest end of the wage scale have the greatest difficulty in finding and paying for decent housing. These same households are important to community stability and economic growth, as they are typically headed by workers in the service and retail sectors, with earnings at or just above minimum wage. Other at-risk households in many communities include entry-level police officers and teachers, as well as low-skilled manufacturing workers.²⁵

9. Local comprehensive land use plans are, in general, not well-integrated with the various plans and strategies that cities must develop in connection with federal housing and homeless funding, such as the Consolidated Housing & Community Development Plan, Continuum of Care for the Homeless, and Public Housing Agency Plan. The result can be ambitious plans that are ultimately impossible to implement despite access to grant funding, due to shortage of sites and infrastructure for affordable and supportive housing.

Next Steps in the Policy Guide Process

This brief paper has outlined several trends and issues with respect to homeless and has suggested some ways in which they connect to planning practice and policy. It has not attempted to identify or suggest prescriptive actions that APA, its components, or individual planners should consider in addressing homelessness. That is the task of the policy guide process.

Once APA, through the Legislative and Policy Committee and the Board of Directors approves the development of homelessness policy guide, a task force will be formed, under the leadership of the Housing & Community Development Division. The task force will prepare a draft policy guide, in the format prescribed by the Legislative and Policy Committee. The draft guide will be subject to extensive review by chapters and divisions before being finalized by the task force and Committee and being brought to the Chapter Delegate Assembly for ratification. It is anticipated that the policy guide will be developed in an accelerated timeframe, with a draft sent to chapters and divisions in early January 2003, for consideration at the 2003 annual conference in Denver.

²⁵ U.S. Conference of Mayors, 2001.