

Homelessness in Oregon



**A Report to the Emergency Board
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THE PROBLEM

The Hunger and Food Insecurity of Low-Income Households in Oregon report identified a direct link between the cost of housing and food insecurity, hunger and homelessness. Client participants stated that finding affordable housing was often a difficult prospect. The survey results revealed that 70% of the respondents spent more than 30% of their income on rent or house payments and 34% spent at least 60%.¹ According to the Oregon Employment Department, between 1990 and 1997, home prices in the state increased by 88 percent.² Households spending over 30% of their income on housing costs (including utilities) are suffering cost burden. The Oregon Progress Board reports approximately 25% of all Oregon households experienced cost burden in 1998. The percentage of renters experiencing cost burden has risen from 59% in 1990 to 70% in 1998.³

The cost of housing is not the only factor contributing to food insecurity, hunger and homelessness. Even with Oregon's reduced unemployment rate, there is a tremendous gap between the minimum wage that many Oregonian's work for and a "living wage" which is needed to cover the average costs of most basic expenses such as food, housing and utilities, transportation, health care and child-care. The 1999 study by the Northwest Policy Center reported that the "living wage" needed to cover the average basic expenses in Oregon ranged from \$10.07 for a single adult to \$16.36 for a single adult with a toddler and a school-age child. This study also showed that 47% of job openings in Oregon pay less than the \$10.47 per hour wage for a single adult, and 77% paid less than the \$16.36 per hour wage for a single adult with two children.⁴ Consequently many working households are still hungry and homeless due to an insufficient salary to maintain their basic needs.

The average number of homeless or at risk of homelessness persons seeking shelter assistance on any given night during the last year was 8,840. 37% or 3,236 of those were children age 17 and under. Of the 3,236 children age 17 and under, 67% were age 11 and under. Of those 8,840 seeking assistance on any given night, 2,144 were turned away due to lack of space or dollars to provide shelter. These turnaways included 794 children.⁵

THE PROGRAMS

Oregon Housing and Community Services administers the Emergency Housing Account (EHA) and the State Homeless Assistance Program (SHAP). EHA may be used for a wide range of services including rent/mortgage assistance, deposits, utility payments, case management, food, child care, transportation, emergency shelter, prevention activities and more. SHAP is limited to providing emergency shelter and services directly related to the emergency shelter such as food, case management and transportation.

OHCS also has three food programs which provide a small amount of support to homeless Oregonians. The Temporary Emergency Food Assistance Program (TEFAP) is administered through the Oregon Food Bank (OFB) by a contract between OHCS and OFB. OFB functions as the statewide collection and distribution hub for Federal TEFAP commodities, salvaged, and donated foods for a network of 20 regional food banks (RCAs). Each RCA (including the two

¹ *Hunger and Food Insecurity of Low-Income Households in Oregon*, Community Planning Workshop, September 2000, p 49

² *A Portrait of Poverty in Oregon*, Oregon State University Extension Service, January 2000

³ Oregon Progress Board, 1999 Benchmark Performance Summary, p.58

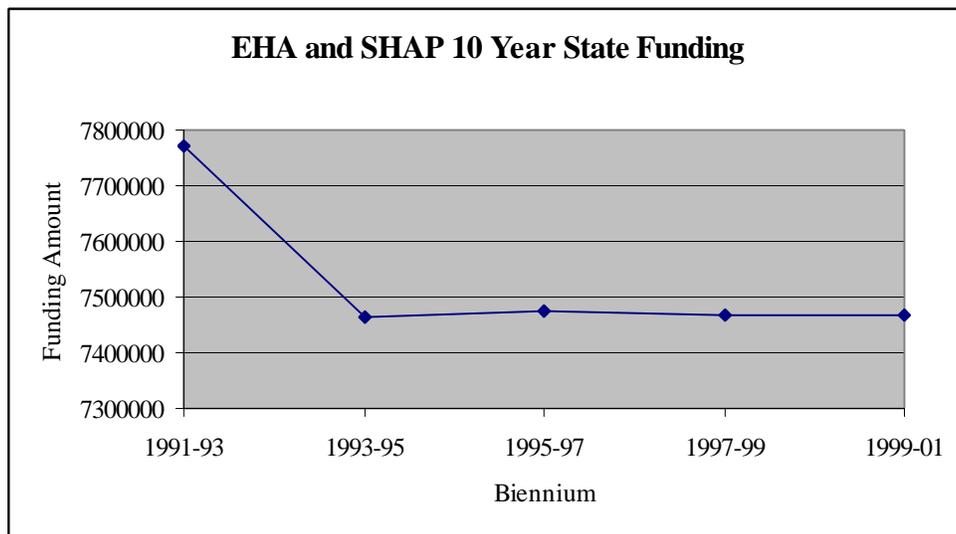
⁴ Northwest Job Gap Study: Searching for Work that Pays, Northwest Policy Center and Northwest Federation of Community Organization, January 1999.

⁵ Oregon Shelter Night Count, Oregon Housing and Community Services

operated by OFB) has its own network of local helping agencies (700 total) which provide food to low income people through emergency food boxes or as a component of their social service program. The Oregon Food Bank survey reports that 8.5% of individuals who receive a food box are homeless. This is equivalent to 43,743 of the 514,979 food boxes distributed to homeless households in FY 99-00⁶. The Tribal Commodity Food Program provides commodities to persons living on or near the Umatilla reservation. Participants qualify for Food Stamps or Commodities, and can switch back and forth, but cannot be on both programs simultaneously. OHCS contracts with Community Action Program of East Central Oregon (CAPECO) to warehouse and distribute the commodities. Each participant receives a monthly food package that weighs 50 to 75 pounds, consisting of meats, vegetables, fruits, dairy products, grains and cereals. The Commodity Supplemental Food Program provides supplemental commodities to low-income Women, Infants and Children and the Elderly. This program is an alternative to WIC and is available only in Multnomah County. OHCS contracts with The Salvation Army to warehouse and distribute the commodities at their Northeast Sandy site. Services include food boxes, nutrition education and Outreach.

THE FUNDING AND SERVICES

In the 1991-93 biennium, EHA was funded for \$5,000,0000 and SHAP for \$2,773,045. In 1993-95, EHA received a cut down to \$4,917,400 in EHA and \$2,548,000 in SHAP. In 1995-97 EHA barely edged up \$10,000 to \$4,927,670 and has remained there for the last 6 years. SHAP received another cut in 1997-99 bringing it down to \$2,538,588 where it still remains. In total these two programs have received a 4% decrease during the last 10 years while homelessness in Oregon has increased by 49%.⁷



Currently SHAP and EHA are being used in the following manner:

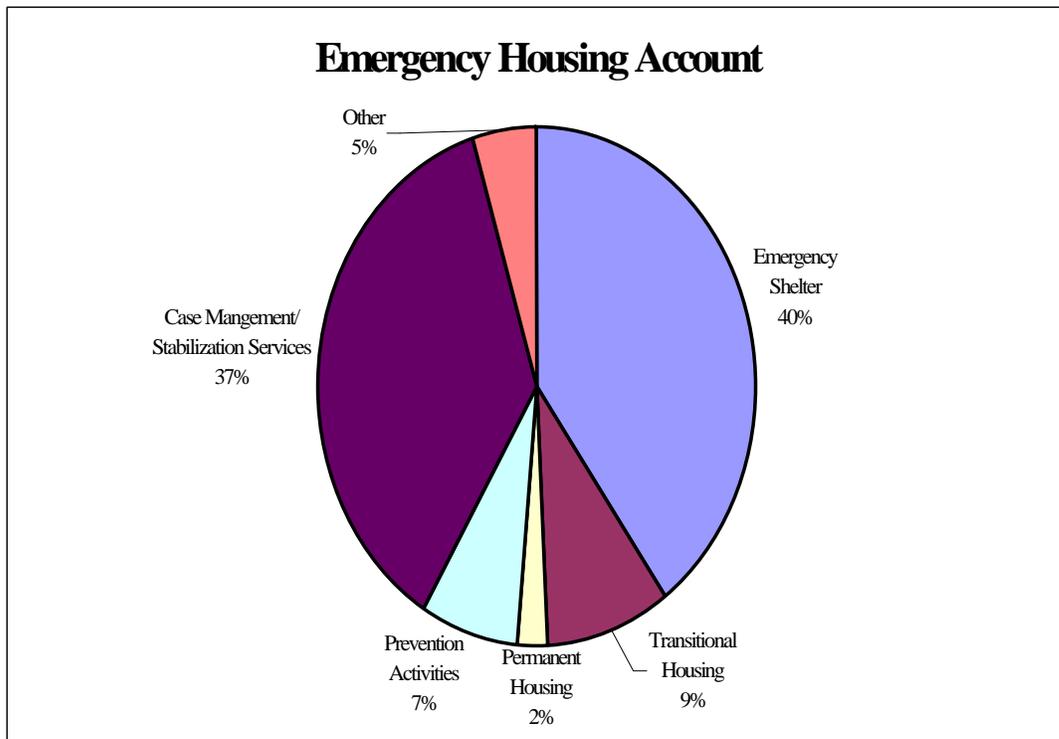
- Emergency Shelter – The cost of housing someone in an emergency shelter or in a hotel/motel when a shelter does not exist in the area.

⁶ Profiles of Poverty and Hunger in Oregon 2000, Oregon Food Bank Hunger Factors Assessment, October 2000.

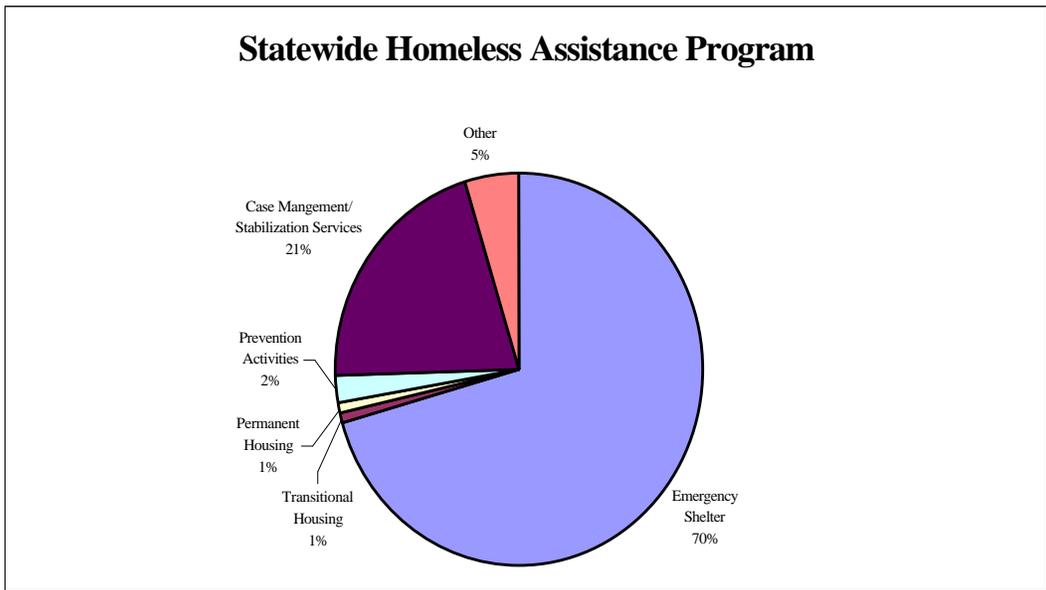
⁷ Oregon Shelter Night Count, Oregon Housing and Community Services

- Transitional Housing – The cost of helping individuals and families find temporary housing until a more permanent solution can be found.
- Permanent Housing – The cost of helping individuals and families find stable housing.
- Prevention Activities – The cost of activities that target at risk individuals such as training assistance, employment assistance, counseling services etc.
- Case Management/Stabilization Services – Information and referral, counseling, budgeting, classes on parenting, life skills, anger management, A & D issues, child care, transportation, medical etc.
- Other – Miscellaneous services to assist the homeless, administrative cost.

Over the last two years, Community Action Programs (CAP's) have expended EHA and SHAP funds based on the needs of the communities in which they serve. The data shows that the majority of both funds have been put into emergency shelter and transitional housing – 77% EHA and 91% SHAP. Unfortunately, the amount utilized for stabilizing individuals and moving them into permanent housing has been relatively small (see graphs below). In addition, very little funds have been available for prevention type services. The lack of funds for prevention, case management, and permanent housing is due to the large amount of Oregonians who are on the street and in need of immediate shelter. The current funding is not enough to provide for services that help move these individuals into longer-term solutions because the huge demand for shorter-term solutions. Even with funds available mostly for short-term solutions, there are still large amounts of turnaways. Since 1991, we have seen a 105% increase in the number of people seeking homeless assistance. The number of turnaways has increased 163% since 1991.



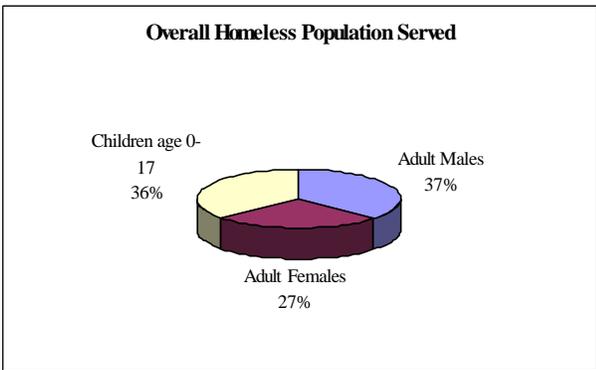
Statewide Homeless Assistance Program



EHA and SHAP funding is used to serve both families and individuals in several special needs populations including seniors, domestic violence survivors, those with mental disabilities and or physical disabilities, veterans and teens. The following percentages give a picture of the homes and populations we serve.⁸

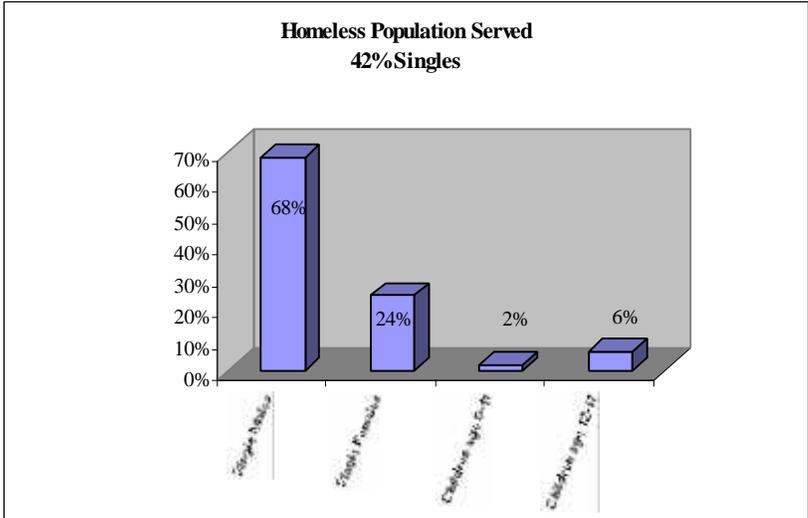
OVERALL

- 37% Adult males**
- 27% Adult females**
- 36% Children age 0-17**



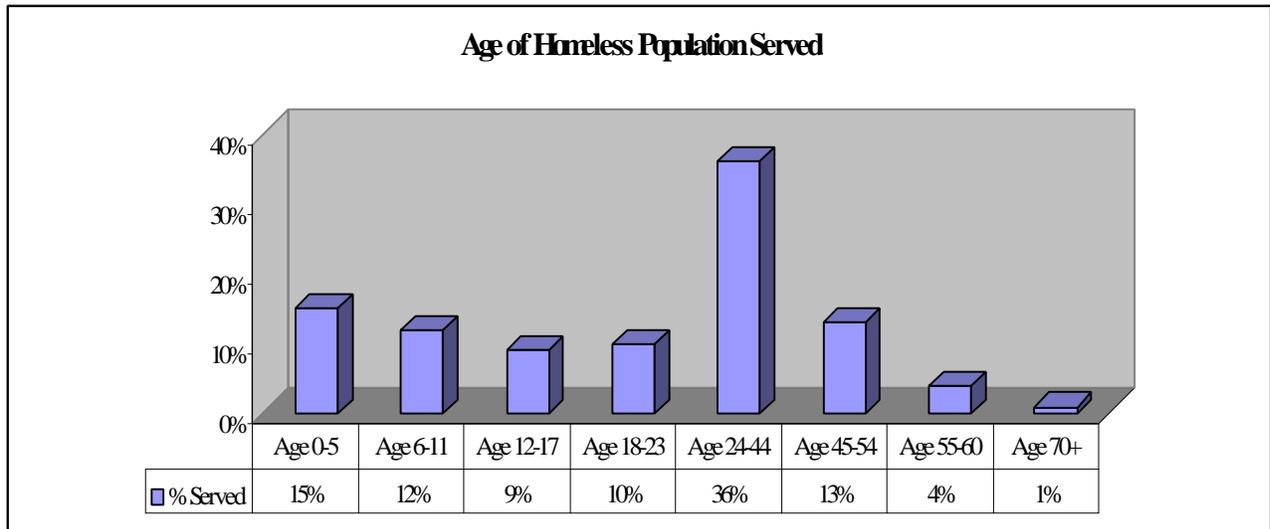
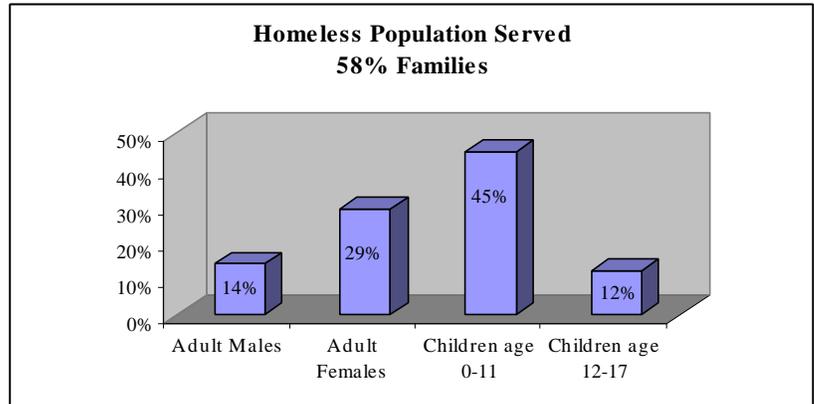
FAMILIES & SINGLES

- 42% singles**
 - 68% single males**
 - 24% single females**
- 2% children age 0-11**
- 6% children age 12-17**



58% families

- 14% adult males**
- 29% adult females**
- 45% children age 0-11**
- 12% children age 12-17**



THE TRENDS

The face of homelessness has changed during the last ten years. Ten years ago, the homeless population was predominately single men. Families facing homelessness usually arrived there due to a single major event in their lives such as severe illness, job injury, job loss, and natural disaster. The homeless population also tended to be unemployed. Today the homeless look very different. CAP’s report at least tripled numbers for teens, pregnant teens, those escaping domestic violence and single parent families. The number of children on the streets has doubled. Families facing homelessness today are generally employed but their incomes do not meet the living wage needed to maintain housing. These are the working poor. Many of the homeless ten years ago were older than 45 while now the highest percentage is age 24-44 (see

⁸ One Night Shelter Count, Oregon Housing and Community Services, 11/17/99 & 3/15/00

above graphic). CAP's also report a dramatic increase in the number of homeless with mental illness, drug and alcohol issues, dual diagnosis, and inmates released from prison with a mental illness.

Perhaps the change that has caused the greatest impact on the homeless programs though is that most households now have multiple issues to contend with. In the past, homelessness was due to single issues such as unemployment or a family catastrophe. Today households come in with complex issues such as chronic homelessness, substance abuse, patterns of domestic violence, extended legal issues, poor credit ratings, poor rental histories, lack of job skills and more all wrapped up into one household.

These changes have required the approach to homelessness to also take a dramatic turn. No longer does a cot and a hot meal 'solve' the problem. No longer does simply finding a job enable you to maintain housing. No longer can a quick fix stabilize a family. Today the homeless require intensive, long-term assistance. Sometimes issues must be overcome one by one. And most issues cannot be resolved with simple handouts. Families need longer than 30 days to overcome situations that sometimes has taken years to reach. Families and individuals today need information on housing rights and responsibilities; assistance locating safe, appropriate and affordable housing; low-income housing; long term case management; rental assistance; emergency shelter; transitional housing; health services; mental health services; educational opportunities; job training; job placement; on-the-job mentors; transportation; household and money management training; financial planning; lifeskills; parenting skills; affordable child care; drug and alcohol education and treatment, youth programs; counseling; mentoring; repairing of bad credit or rental histories and PREVENTION activities.

The goal of homeless providers today is to stabilize the family. They no longer work for the quick fix, they work for a more permanent fix. This requires longer term, in depth services usually for a period of 6-12 months. The old 'one time emergency' assistance is like sticking your finger in the hole in the dike. It won't be long until the whole dam cracks open leaving flood damage that can be insurmountable.

This intensive case management takes additional time for working with the family as well as time gathering information needed to deal with the uniqueness of each family. More training is needed for providers to work within the multi-faceted structure of these complex issues. Families require more attention from their case managers which has further reduced the case load each provider can handle. When cases were simple one issue problems to overcome (I need a job, I need money for the first month's rent, I need my car fixed so I can get to work to pay my rent), a typical case load was 30-35 households. Now, due to the complexity of cases, a typical caseload is 15-20 households.

The other dramatic change is we no longer are just dealing with one individual in the household. Now issues run throughout the family members. One parent may have a substance abuse issue, another may have an anger management issue and be unemployed, one child may be truant from school and another may be pregnant. Case managers must create a family case plan and individual case plans.

The amount of time spent with clients has doubled and tripled depending on the household circumstances. The costs to provide these services have also increased. Serving the homeless is extremely labor intensive. The level of training required of the staff that is needed to be more and more diverse in their ability to provide services that are life changing and long lasting has obviously become more and more costly. During the last ten years staffing costs have risen 20-

30%. Health insurance has risen 50%. Rent for clients has increased an average of 50% throughout the state, while gas prices have risen 58%. While state funding has gone down since 1994, program costs have increased on the average 10% per year. Historically the CAP's have covered this disparity by reducing support of services in one place to maintain support in others or by appealing to the community for help. These strategies, as confining and ultimately terminal as they were, did keep the services barely afloat for the last 6 years. But support cannot be reduced any further and the ability of the community efforts to make up the difference has been maximized. We need important and substantial increases in support or our present system of homeless services, inadequate as it is, will collapse.

As mentioned before, these increases are not necessarily due to salaries. Many of the costs associated with private home ownership and rental properties also effect homeless shelter programs. Utilities, property up keep and maintenance, insurance cost, while contributing to the cost of home ownership, also effect homeless shelters. In Clackamas County for example, in the past ten years, average emergency rental assistance payments have gone from \$250 to over \$400 in the low-income housing stock. The same costs that cause landlords to increase rents also cause homeless shelters to scramble to keep the shelter open. That is a scramble the shelters have been losing during the last ten years as more and more of them are forced to close their doors.

THE PRIVATE AND FEDERAL SUPPORT

While State Funding has decreased over the last ten years, private funding, Federal funding, and County donations have increased in most areas of the state. Some counties such as Harney, Malheur, Klamath, Coos and Curry counties have either seen a decrease in private donations or it has remained the same. Other areas of the State have seen dramatic increases in private funds, donations, and grant income.

Community Connections Network covering Baker, Grant, Union, and Wallowa County have seen the following increases: 28% in private fund donations, 46% in Federal funding, 7% in United Way funding, 67% in local donations and 25% in county donations. They have experienced a 80% decrease in city donations. Yamhill County Community Action Agency covering Yamhill County received increases by 50% in Federal funding, 436% in Donations and 138% in kind. They saw a 500% decrease in United Way funding.

Volunteer time has skyrocketed over the last ten years. Just in the last year, One family agency reports volunteer hours increasing by 100% and Community Services Consortium covering Linn, Benton, and Lincoln Counties has shown as much as a 707% increase in some sites.

These increases are a result of rigorous labor intensive completion of grant applications, fund raisers and resource development and leveraging. However, many opportunities for additional grant funding were passed up due to a lack of staff time or lack of matching funds required to receive leveraged funding. In addition the trend has been for funding sources to fund new and exciting programs. The private sector is more interested in paying for start up costs. We have a desperate need to find some operational funding sources to support the programs already in place and to continue the new programs the private sector is willing to start.

While each CAP have had a mixed degree of success in increasing private sector and federal dollars to their localities, the point remains the same: There simply is not enough money to operate the shelters and stabilization programs at a level that reflects the needs of the communities. Exhibit A provides some of the impacts of inadequate funding across the state.

Agencies statewide report they have lost out on hundreds of thousands of dollars in potential funding and or support for programs that they could not pursue due to lack of matching State Funds. For example, EHA is presently used by many agencies to match Home Tenant Based Assistance (TBA) dollars at a 1:4 match. Last year the State of Oregon used \$90,617 in EHA to obtain \$362,468 in Home TBA. For each additional EHA dollar we would receive an additional \$4 in Home TBA. Home TBA is virtually an uncapped possible dollar amount. Additionally we match TANF money on a dollar for dollar basis using EHA. We have presently capped out at 1 million dollars due to lack in the needed match dollars. The HUD Continuum of Care Supportive Housing Program Grant requires a 20% match for services and a 25% match for operations. We can apply for 1.4 million in transitional activities each year for the rural counties (excluding Multnomah, Clackamas, Washington, Lane, Marion, Polk, Jackson, Jefferson, Deschutes and Crook which apply on their own directly to HUD). But we are finding it extremely difficult to provide the required match.

THE NEED

Additional funding would help the homeless system to close the front door and open the back door. The front door is closed by increasing prevention activities. It is much less costly both fiscally and emotionally to prevent homelessness than to pay the costs of first and last months rent, deposits, back utilities, cleaning up rental and credit histories and to help put a family back together that has been torn apart by homelessness. Opening the back door allows us to move those that have already reached homelessness to emergency shelters followed by transitional housing followed by permanent, stabilized housing and eventually home ownership for many. Through out this process, case management, learning opportunities, guidance, mentoring, information and referral, and direction are essential to the success of these households. This Continuum of Care approach is needed to meet all the needs of a household to stabilize them so they will remain housed rather than cycle back into homelessness time and time again. The bandaid approach doesn't work for a severed limb. And homelessness can no longer be compared to a small cut on the finger, but a gaping wound on this society's community body. A holistic approach that addresses all the needs of these multi-faceted households is required to be successful.

There are gaps that exist at every step of the continuum throughout the state. For the 26 rural counties in Oregon that were included in the Rural Continuum of Care application there is a gap between what is needed and what is currently available in the following areas:

<u>UNMET NEED</u>	<u>INDIVIDUALS</u>
Emergency Shelter	214
Transitional Housing	349
Permanent Supportive Housing	524
Job Training	363
Case Management	698
Substance Abuse Treatment	492
Mental Health Care	364
Housing Placement	556
Life Skills Training	633
Chronic Substance Abuse	562
Seriously Mentally Ill	161
Dually-Diagnosed	152
Veterans	311

Persons with HIV/AIDS	25
Victims of Domestic Violence	128
Youth	46

<u>UNMET NEED</u>	<u>FAMILIES</u>
Emergency Shelter	940
Transitional Housing	1021
Permanent Supportive Housing	372
Job Training	705
Case Management	1489
Child Care	458
Substance Abuse Treatment	504
Mental Health Care	324
Housing Placement	928
Life Skills Training	883
Chronic Substance Abuse	601
Seriously Mentally Ill	104
Dually-Diagnosed	87
Veterans	130
Persons with HIV/AIDS	8
Victims of Domestic Violence	331
Youth	

OHCS has included a policy option package within its 2001-03 Agency Request Budget. The additional \$4.5 million dollars requested would be used to begin to fill these tremendous gaps and to stabilize the existing programs. In addition, funding would allow programs to engage in more prevention type activities to reduce the higher cost of providing services that temporarily aid the homeless. The actual number of households served is extremely difficult to project since various areas of the state would be focusing on the needs and gaps in their individual communities.

SUMMARY

In summary, the number of homeless has increased. The number of turnaways has increased. The need for assistance has changed from a single-issue approach to one of intensive multi issue situations. The faces of homeless have changed from single unemployed males to working families with extensive needs. The number that can be served at any given time has decreased due to the intensive case management required and the ever-increasing cost of providing services such as rent, counseling, case management and food. The state, federal and private resources are not enough to manage the growing problem of homelessness. Very little resources are available for prevention of homelessness. Oregon Housing and Community Services recognizes the problem of homelessness in Oregon, and in its effort to reach out for opportunities to create partnerships that improve Oregonians' lives and the quality of our communities, will continue to partner with local communities to address the problem.

IMPACTS OF INADEQUATE FUNDING

Clackamas County:

- Closure of emergency shelter facility for families and children
- Closure of emergency support services program that maintained housing stability for at-risk households

Columbia County:

- Loss of one month domestic violence shelter operation
- Loss of one month emergency shelter operations

Deschutes/Jefferson and Crook Counties:

- Shelter and transitional housing services, permanent housing assistance and eviction prevention services are provided to about 10% of the at-risk households

Hood River/Wasco and Sherman Counties:

- 1,400 individuals and families, including those with small children, are turned away annually

Jackson County:

- Reduced crisis assistance to 100 households annually
- Reduced match for other programs such as HSP (Housing Stabilization) thereby reducing services provided under these programs
- Eliminated a case manager thereby denying self-sufficiency services to 30 households annually
- Reduced support shelters leading to the possible closure of two shelters

Lane County:

- Homeless teen program cut in half
- 25% cut in housing stabilization program for at-risk families

Linn/Benton and Lincoln Counties:

- Reduced funding for motel vouchers in Lincoln County by 93%
- Reduced contribution to Lincoln County Alcohol and Drug Abuse program by 75%
- Reduced contribution to Lincoln County Food Share by 63%
- Reduced contribution to Mental Health of Benton County by 63%
- Stopped funding for:
 - Dental services at Community Outreach, Inc.
 - Transitional housing at Community Outreach, Inc.
 - FISH of Benton County
 - Housing for the Handicapped

Information and referral in Linn County

Motel vouchers in East Linn County

- Loss of 1,644 emergency shelter nights
- Loss of 3,207 transitional bed nights
- Loss of case management to 206 homeless women who are survivors of domestic violence

Marion/Polk Counties:

- Reduced rental assistance in rural areas with annual funding used up in six months. For six months often people in Marion and Polk counties have no option other than to lose their existing housing
- Reduced homeless prevention funding in Stayton with services decreasing from 28 families annually to only 9 families in 1999
- Reduced assistance has forced greater need to select clients with the most chance to achieve self-sufficiency resulting in under-serving less skilled populations such as farmworkers and the physically and mentally disabled
- Unable to keep pace with expanding rural population
- Reduced shelter capacity overall, especially in Mt. Angel where the St. Joseph facility decreased services from 70 families to 60 families
- Staff time shifted from providing services to fund raising

Multnomah County:

- Eliminated shelter and supportive services for single people who need services
- Restricted continuum of care shelter services and able to offer help in securing permanent housing to homeless families and to victims of domestic violence
- Frozen funding restricts subgrantees shelter capacity to 125 homeless families each night and denying access to 500 families each night

Umpqua County:

- Reduced emergency services by 20% resulting in 3,255 individuals being turned away

Washington County:

- Eliminated all transitional housing programs, including case management to 4 families annually
- Eliminated all homeless prevention programs, denying services to 120 households annually
- Scheduled closure of the Good Neighborhood Center on 7/1/00, with a loss of 36 beds
- The Domestic Violence Resource Center at risk

Yamhill County:

- Eliminated all mental health services in homeless shelters
- Eliminated all temporary financial assistance offered to shelter clients as they moved into an apartment
- Postponed badly needed maintenance of shelter facilities