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NEWS RELEASE

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N.C. SHOULD DEVELOP NEW STATE POLICY ON HOMELESS PROBLEM, CENTER SAYS

North Carolina has turned a blind eye to the problems of homelessness, leaving most services for the homeless to other levels of government and the private sector, the North Carolina Center for Public Policy Research says in the latest issue of North Carolina Insight. The Center says it's time the state did its fair share, and recommends a four-step process to culminate in a Homelessness Assistance Act to be enacted by the 1993 General Assembly.

"It's not like the homeless are a hidden problem," says Insight Associate Editor Mike McLaughlin, co-author of the article on homelessness published in the June issue of the quarterly magazine. "We see them slumped on park benches sleeping, staggering down city sidewalks, pushing shopping carts that carry all their worldly possessions, or sitting in fast food restaurants sipping coffee and passing the hours. And it seems we are seeing more of them. So the Center decided that someone needed to take a good, hard look at what state government is doing about their problems. The answer is, 'not much.'"

The Center's 32-page article includes interviews with the homeless, policymakers, and service providers. The Center examined three broad areas: the lack of affordable housing; mental illness among the homeless; and access to government services. In each of these areas the Center found gaping holes in the safety net when it comes to meeting the needs of the homeless.

"With the federal government cutting back on its low-income housing commitments, with the state tightening admissions criteria at mental hospitals, and with local governments in some cases overtaxed and in others unwilling to help, the haunting question becomes, who will take care of the homeless?" says McLaughlin. "Part of the answer is a leadership role for the state."

The range of problems faced by the homeless includes:

(A) A shortage of affordable rental housing, which is forcing more people out into the street and leaving the homeless without a way back. Most North Carolina cities and counties are doing little or nothing to relieve this housing shortfall, and the state is taking only halting first steps. While the network of emergency shelters across North Carolina is fairly extensive, the middle step is missing between the shelter and independent living -- transitional housing that offers on-site services and support aimed at getting the homeless back on their feet.

Many advocates for the homeless see this shortage of housing as the single greatest cause for the growing numbers of homeless. The U.S. Conference of Mayors cited the lack of affordable housing as the main cause of homelessness in a December 1989 report. "The fact is that the housing market, both locally and across the nation, doesn't work anymore for people below a certain relatively prosperous level," says Robert Lane, president of the Wake County Coalition for the Homeless. "Costs have risen and continue to rise everywhere... and wages and public benefits have fallen far behind."

For example, a mother with two children and no other income receives a maximum of \$272 in AFDC payments each month, while average rents in Raleigh exceed \$400 a month. And about 3,000 families are on waiting lists for vouchers for rent subsidies, says Raleigh Housing Authority Director Floyd Carter. Federal budget authority for new housing expenditures was cut 75 percent between 1981 and 1987, according to the National Alliance to End Homelessness, based in Washington, D.C.

(B) Inadequate services for the mentally ill homeless. Mental health centers traditionally have been geared to serving clients with limited and curable mental health problems. When the state's mental hospitals release patients, there is often little coordination with local mental health centers for follow-up and treatment. Often these chronically mentally ill citizens are released directly to homeless shelters and wind up on the streets. And the state also has inadequate treatment facilities for the roughly 40 percent of the homeless who are addicted to alcohol and drugs.

(C) Many homeless persons don't get the government benefits and services they need because social services agencies do not have the time or money to reach out to people on the streets and because some programs have narrowly defined eligibility requirements. Social Security officials acknowledge they have difficulty enrolling the homeless in disability programs that would provide them a steady source of income even though many would qualify. In a 1986 survey of street people by the Alcohol/Drug Council of North Carolina, 48 percent of the respondents reported they were chronically ill, while only 14.1 percent reported receiving federal Supplemental Security Income benefits. Service providers say more aggressive outreach would help the homeless. Still, most agencies wait for the homeless to come to them.

In addition to the clear gaps in services to the homeless, the Center also found an information gap. No one knows how many homeless there are in North Carolina, and the one attempt to estimate their number appears seriously flawed. The Division of Community Assistance in the N.C. Department of Economic and Community Development found 8,045 homeless in a statewide survey of shelters and service providers conducted in July 1988, but the results varied widely in counties with similar economies and population densities. No homeless at all were reported in nine counties -- Camden, Cherokee, Chowan, Clay, Graham, Jones, Person, Polk, and Tyrrell. Alleghany County was reported to have 60 homeless, Ashe had 125, and Vance County had 400, according to the study. And out of a total Wake County population of about 400,000, the study found only 400 homeless in Wake, the same number as in Vance County, population 40,000. The Ark shelter in Raleigh had 725 different clients in 1989 alone (a 40 percent increase in two years), and there are six other shelters or transitional houses in Raleigh.

"These wide variations in numbers are the mark of an inaccurate count," says McLaughlin. "The suffering is readily apparent, but it's hard to design programs and policies for the homeless if you don't know how many homeless there are and what programs already exist to help them." The state also is confronted with a budget shortfall of roughly \$550 million for the current fiscal year ending June 30, 1990, and that forecloses any large-scale immediate action to aid the homeless.

The Martin administration is proceeding cautiously. "We are able to help the homeless in a variety of ways, but we know more needs to be done," Gov. Jim Martin says in Insight. "In a time of limited resources -- a time when those resources are already being strained by demands from education, environmental protection, law

enforcement, and corrections and other areas -- our goal must be to use those resources as effectively as possible.... No one agency, no one sector, has the resources to meet this challenge completely."

Martin administration officials, wary of being saddled with more responsibility without more funding, have wrestled with how best to meet the needs of the homeless. So far, administration officials have resisted creating a high-level office or agency that could cross department lines to deal with homelessness in a comprehensive way.

National surveys offer a rough sketch of the homeless. According to these surveys, families with children now account for up to 40 percent of the nation's homeless, and are the single fastest growing segment. Some 30 percent of the homeless are veterans, many of whom are not receiving Veterans Administration benefits. Studies also show 40 percent suffer from alcoholism or drug abuse. Mental illness and depression are widespread among the homeless, with fully a third thought to suffer from some mental disability. Surprisingly, 20 to 30 percent of the homeless are employed. These citizens work at low-wage jobs and can't afford to keep a roof over their heads. (Figures add to more than 100 percent because many of the homeless exhibit more than one of these characteristics.)

The Center says an existing Legislative Research Commission study panel that has been examining the needs of the homeless provides the best vehicle for developing a comprehensive state policy. Given the paucity of information about both the number of North Carolina homeless and the resources available to assist them, as well as the dismal revenue picture currently confronting the state, the Center recommends a deliberate, four-step approach.

(1) The Department of Human Resources should reassess the magnitude of the homeless problem by conducting a survey through county social services departments. Nationally, estimates of the number of homeless range from 250,000 to 3 million, depending on who is doing the counting, so it is no surprise that the state thus far has no accurate figures on how many North Carolina citizens are homeless.

Help may come in early 1991 from the U.S. Bureau of the Census when it releases figures from its 1990 count of the homeless. But even Census Bureau officials acknowledge that this count reached only the most obvious homeless. The Center recommends that the Legislative Research Commission study panel seek legislation from the 1991 General Assembly requiring that the N.C. Department of Human Resources -- which oversees county social services departments -- buttress the Census findings with a new survey of its own that uses a consistent methodology across all 100 counties.

(2) The Department of Human Resources should catalogue existing resources. At present, no one at the state level knows exactly what is already being done and the needs of the homeless. Without knowing what is already being done, it's impossible to tailor a state policy to meet the needs of the homeless. Thus, the Center recommends that the Department of Human Resources be given statutory authority and funds to help local departments of social services compile lists of resources -- among government agencies, nonprofits, and churches -- for the homeless in their counties and to forward them to the state. These lists of existing resources would be compared with the new estimates of the numbers of homeless to reveal gaps in services. These lists should also be made available to local agencies that provide services to the homeless and posted in shelters and other places where the homeless could benefit from the lists.

(3) The 1991 General Assembly should reauthorize its Legislative Research Commission study committee on homelessness. The panel's authorization is set to expire in January 1991, before all the facts are in and before any major legislation has a realistic chance of passing the General Assembly, the Center says. Yet by 1991, this group will have just begun to reap the benefits of a patient and systematic information-gathering process. The Center says the 1991 legislature should reauthorize the LRC panel and require that it report its recommendations to

the 1993 session of the General Assembly.

(4) The reauthorized Legislative Research Commission panel should draft a Homeless Assistance Act that addresses housing, mental health, and access to services and present it to the 1993 General Assembly. Armed with a better estimate of the magnitude of homelessness in North Carolina and the resources that have already been brought to bear on the problem, the Center says the study panel should draft a Homeless Assistance Act that addresses (1) housing, (2) mental health issues, and (3) access to services.

Many states are doing more than North Carolina, even in the South, which lags the nation in funding human services programs. Virginia provides grants and loans for shelters and long-term facilities for the homeless through its housing partnership fund. Tennessee Gov. Ned McWherter has appointed a homelessness coordinator for each of that state's 95 counties. Tennessee also is making better use of federal McKinney Act programs and drawing more federal dollars for the homeless than North Carolina despite a smaller population. The McKinney Act -- the nation's 1987 initiative against homelessness -- is a patchwork of 20 programs channeling federal dollars for the homeless to state and local government. But matching fund requirements have discouraged participation in some programs in North Carolina. Maryland's effort includes a rental allowance program for families at risk of becoming homeless and a program to assure that the homeless get shelter, proper nutrition, and adequate government services. Nationally, states like Massachusetts, Michigan, and Pennsylvania have dealt much more comprehensively with homelessness.

The North Carolina approach, meanwhile, has been to serve only as a conduit for federal funds. The state has made no effort, for example, to direct McKinney Act funds to areas of greatest need. Most grant money simply has been divided among applicants on a pro-rata basis. That means some areas of the state have gotten few of these federal dollars. The state also has failed to participate in some McKinney Act programs -- such as the Permanent Housing for the Handicapped Homeless -- despite an apparent need for these kinds of programs. By contrast, Tennessee has tapped McKinney funds for permanent housing for the handicapped homeless and has directed McKinney funds to rural areas.

"It's clear that state government needs to take a larger leadership role," says McLaughlin. "So far the state has made no more than a minimal effort. The approach we've proposed will assure that state dollars are spent where they can do the most good. And the planning and information gathering process will focus more public attention on the problem of homelessness."

The N.C. Center for Public Policy Research is an independent, nonpartisan, nonprofit corporation created to examine state government policies and practices. The Center is supported in part by grants from the Z. Smith Reynolds and Mary Reynolds Babcock foundations, both in Winston-Salem. Other funding comes from 114 corporate contributors and more than 600 individual and organizational members. In addition to publishing North Carolina Insight, the Center has conducted studies on campaign finance, problems with local landfills running out of space, disparities in funding among rich or poor school districts in North Carolina, and a comparison of the formal powers of all 50 state governors. The Center also publishes a biennial guide to the N.C. General Assembly and rankings of the effectiveness of all legislators.

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Copies of the issue of North Carolina Insight containing the research on homelessness in North Carolina are available for \$6.30 (plus \$1.00 postage and handling) from the N.C. Center for Public Policy Research, P.O. Box 430, Raleigh, N.C., 27602, or call (919) 832-2839.

For more information, call Mike McLaughlin at the N.C. Center for Public Policy Research at (919) 832-2839. For comments by the chairpersons of the Legislative Research Commission on Homelessness, call Sen. James F. Richardson (D-Mecklenburg) at (919) 733-5620 or Rep. Charles F. Buchanan (R-Mitchell) at (919) 733-5825.

**N.C. Counties Receiving Federal McKinney Act
Emergency Shelter Grants, by Number of Homeless***

	One or More Grants Received	Number of Homeless In the County**		One or More Grants Received	Number of Homeless In the County**
Alamance	Yes	115	Chatham	Yes	300
Alexander	No	10	Cherokee	Yes	0
Alleghany	Yes	60	Chowan	No	0
Anson	No	8	Clay	No	0
Ashe	Yes	125	Cleveland	Yes	142
Avery	No	5	Columbus	No	35
Beaufort	Yes	45	Craven	Yes	10
Bertie	No	82	Cumberland	Yes	200
Bladen	No	75	Currituck	No	2
Brunswick	Yes	5	Dare	Yes	5
Buncombe	Yes	150	Davidson	Yes	30
Burke	No	20	Davie	No	30
Caharras	Yes	20	Duplin	No	150
Caldwell	Yes	20	Durham	Yes	275
Camden	No	0	Edgecombe	Yes	203
Carteret	Yes	11	Forsyth	Yes	200
Caswell	No	30	Franklin	No	275
Catawba	Yes	20	Gaston	Yes	175

	One or More Grants Received	Number of Homeless In the County**		One or More Grants Received	Number of Homeless In the County**
Gates	No	13	Pasquotank	Yes	5
Graham	No	0	Pender	No	20
Granville	Yes	300	Perquimans	No	21
Greene	No	4	Person	No	0
Guilford	Yes	350	Pitt	Yes	45
Halifax	Yes	60	Polk	Yes	0
Harnett	Yes	NA	Randolph	Yes	400
Haywood	No	NA	Richmond	Yes	6
Henderson	Yes	12	Robeson	Yes	100
Herford	No	126	Rockingham	No	20
Hoke	No	20	Rowan	Yes	85
Hyde	No	15	Rutherford	Yes	132
Iredell	Yes	150	Sampson	No	NA
Jackson	Yes	100	Scotland	No	50
Johnston	Yes	155	Stanly	No	25
Jones	No	0	Stokes	No	30
Lee	Yes	75	Surry	No	63
Lenoir	Yes	4	Swain	Yes	20
Lincoln	No	20	Transylvania	Yes	4
Macon	Yes	63	Tyrrell	No	0
Madison	No	5	Union	Yes	35
Martin	Yes	45	Vance	No	400
McDowell	Yes	10	Wake	Yes	400
Mecklenburg	Yes	425	Warren	No	75
Mitchell	Yes	10	Washington	No	25
Montgomery	Yes	12	Watauga	Yes	70
Moore	No	15	Wayne	No	60
Nash	Yes	224	Wilkes	Yes	30
New Hanover	Yes	300	Wilson	Yes	32
Northampton	No	128	Yadkin	No	50
Onslow	Yes	203	Yancey	No	5
Orange	Yes	150			
Pamlico	No	10			
			TOTAL	Yes=56 counties	8,045
				No=44 counties	homeless

* The state has awarded five rounds of McKinney grants since May 1987. Grants were awarded for the latest round in May 1990.

** Homeless estimates are based on survey by Division of Community Assistance, N.C. Department of Economic and Community Development, but should be interpreted cautiously. See footnote 3 on page 32 for a description of how these numbers were compiled.

Note to editors:

Please feel free to reprint these profiles, which were published as part of Insight's article on homelessness.



Facing Homelessness: The View from the Streets

THE FACES OF HOMELESSNESS

Paula's neatly done blonde hair and carefully applied blue eyeshadow do not fit the homeless stereotype. Neither do her pink knit sweater, her designer jeans and her bleached-bright tennis shoes. But Paula has run out of money, credit, and friends. Even her parents have closed the door on her. "I'm not their responsibility anymore," says Paula. "I guess they decided they had helped me so much in the past they are not going to do it no more."

Homeless advocates have put her up in the Motel 6 in Winston-Salem for a few days while she gets used to the charity fare at the local soup kitchens. Now she faces initiation into shelter life, and she is frightened at the prospect.

"I got to go to the Salvation Army tonight," she says, her lower lip quivering. "I just want to go home." But like thousands of other North Carolina citizens, Paula has no home.

The 24-year-old King native says she lost her job, then she got behind on her rent, got her power cut off, and finally was evicted from her apartment. With a poor credit rating and no regular source of income, she had nowhere to turn for shelter.

Understanding and a Helping Hand



THE FACES OF HOMELESSNESS

Vinston takes a pull off his cigarette and begins a complicated story of how he wound up homeless in Winston-Salem. He says his downward spiral started when he got laid off by R.J. Reynolds Tobacco Co. "I lost my job in one of the first layoffs," Vinston says. "It caused me to get behind on everything. I filed Chapter 13 [personal bankruptcy]. I couldn't get a good enough job to pay for my house. I really just gave up."

The house—which is in Richmond County—was burglarized and burned, and Vinston says he was falsely charged with committing the deeds himself to collect insurance money. "This record has kept me from getting a very good job in the last few weeks," Vinston says. He also alleges that Richmond County authorities have cheated him out of the \$1,000 bond he posted. Predictably, Vinston is angry at the system. "If you are given an attorney by the state, he is not worth the gunpowder it takes to blow his brains out," says Vinston. He says the NAACP—which has become deeply involved in a local murder case—has been uninterested in his plight because there is little glory in coming to the aid of a man convicted of relatively minor crimes. And so Vinston simmers, spending his days at Bethesda and his nights at the Samaritan Inn, a homeless shelter down the street. "I've had some bad mental problems," he says.

Asked what it will take to help the homeless, Vinston ticks off the usual—jobs, food, and housing. But then he goes further, saying that the homeless need "people to talk to concerning the many, many problems that they have—not only people, but people who can help. A lot of homeless people are mentally depressed. A lot of people you talk to, they don't hear what you're saying."

A Rust Belt Refugee



THE FACES OF HOMELESSNESS

Like a blue-collar worker in a man-on-the-street interview, Ronald Ruhlman has his opinions at the ready. But Ruhlman really is a man on the streets. He says it's a temporary condition that will end when he gets his first paycheck. Still, his month-long experience with homelessness has taught him about himself and human nature. And it's clear that he's given some thought to the problem's cause and cures. "It ain't easy out there on them streets," says Ruhlman. "It's the first time I've been on the streets, and it's definitely going to be the last."

Ruhlman is a rust belt refugee who thought Raleigh represented the promised land of steady employment. "Everything happened at one time," says the 40-year-old former long-haul trucker. "I lost my job and I lost my place the same day. I even lost my girlfriend the same day. It's something you've got to take in stride."

Ruhlman says he sold his old Ford LTD to raise money and slept at the YMCA in Raleigh for a couple of weeks. But when the money ran out he was out on the streets, unable to find a job that paid a living wage. He finally found a job at a high-rise construction site, but not before he changed his attitude about the homeless. "I think what is so hard about being on the streets is keeping your self-esteem," he says. "People look at you real weird, like you're a low-life and you ain't trying. There's people on the streets wearing their shoes out looking for work."

Despite Raleigh's reputation for low unemployment, Ruhlman says without technical skills, it's difficult to find a job paying much more than the minimum wage. There are construction jobs, he says, but carpenters must

provide their own equipment, and it's hard enough to muster the money for a cup of coffee. Churches and other agencies are sometimes willing to provide the equipment, but they want verification of employment. That presents a dilemma, but Ruhlman says it's understandable. "A lot of places get ripped off by people who say they need this and need that, and then go off and sell it," he says.

Ruhlman says he got so desperate for work he considered cleaning up after elephants. The circus was seeking workers at local homeless shelters. "I'll tell you how bad it got," says Ruhlman. "Ringling Brothers was hiring.... I told my buddy, 'If I don't get a job today, I'm joining the circus.'"

But Ruhlman says that same day he stumbled across his job as a forms carpenter, and swallowed his pride and asked for equipment from a church. "I'd have never gone to a church to ask for tools, but I did," says Ruhlman. "When I get paid, that church is going to get a big donation."

Ruhlman says there is help for those homeless who are willing and able to seek it, but he says the agencies "run out of money too fast." He says low-wage jobs do not pay enough to cover Raleigh rent. "A lot of people have got jobs and can't afford the rent," says Ruhlman. "The rent around Raleigh is kind of high."

More government jobs, job training, and re-training programs for displaced workers would help prevent homelessness, says Ruhlman. He also says something needs to be done about high housing costs, long waiting lists for subsidized housing, and low-income people without health insurance. "A lot of people out there can't find jobs," says Ruhlman. "A lot of others have got a job and can't find a place to stay. You've got families and stuff like that with no insurance. If somebody gets sick on you, or you get sick, you're right back on the street again. And low-income housing, it takes so long to get it. A guy I met on the streets put in an application for himself, his wife and kids. The last time I seen him he had just got it. He applied more than a year ago."