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HOMELESSNESS IN MAINE
A STATUS REPORT
AND A STRATEGY FOR PREVENTION

THE MAINE STATE HOUSING AUTHORITY

DECEMBER 23, 1988



MAINE STATE
HOUSING
AUTHORITY

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December 23, 1988.

Dear reader:

In December, darkness falls in early afternoon. The thermometer plunges. The wind stings. We hurry home at 5 o'clock to warm and inviting homes.

Some among us have no home to return to; nowhere to go on chill mornings. Maine's homeless include single men and women, mothers and fathers and young children, run-away teenagers, and abandoned elderly.

This year Maine's Legislature and Governor have many serious issues to contend with -- solid waste, taxes, growth and education, among others. But in the process, we must not forget the needs of Mainers for whom the overriding issue is not "quality of life," but simply survival. This report provides some facts about Maine's homeless population in 1988, and recommends state action.

In the next few days, we recall the story of a pregnant Jewish woman and her carpenter husband who could not find a place to stay for the night in a town called Bethlehem. As we hear the story retold, let it renew our determination to create a Maine where every citizen has a place called home.

Sincerely,

ELIZABETH H. MITCHELL
Director

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1. Winter, 1988

A mother, father, and two children live in a garage in central Maine. The mother works at a minimum wage job; the father receives a disability check and cares for the children. The garage is unheated. Apartments are too expensive. They have been told there is a two-year wait for subsidized housing.

A 64 year man in rural coastal Maine has just been told by local officials that his mobile home has been condemned. Repairs will cost \$6,000. He doesn't have the money. He will not leave his land. He says, "If no one can help me, my old dog and I will go ahead and freeze to death in this trailer. Maybe that will put programs out there to help people like myself."

In southern Maine, a father of two children has been laid off. Meanwhile the family car has overturned in an accident and cannot be fixed. Now the mother cannot drive to her sales clerk job. In a month this family's status has fallen from a two-earner to a poverty household. They cannot pay the rent. Father, mother, and children are afraid, and don't know where to turn.

(Source: Maine State Housing Authority Consumer Hot Line, November and December 1988)

A homeless person is defined in the 1987 Congressional Homeless Act as one who lacks a "fixed, regular, and adequate nighttime residence" outside of an emergency shelter.

Yet the phenomenon of homelessness resists precise definition. Is the family in the garage referred to above homeless; or simply in substandard housing? Homelessness also resists quantification. People move in and out of homelessness. Numbers fluctuate by season and by night in Maine. The people experiencing homelessness are diverse, and vary by location and time of year. Many are hidden -- too far from, or unaware of, available shelters; or unwilling or afraid of using them.

Some facts are known. The number of homeless people in Maine is increasing. One indication is that the use of shelter beds has risen fourfold in the past three years -- from 83 per day in February, 1986 to 341 on December 7 of this year (Table 1). Available shelter beds have doubled in the same period, but even so most shelters report having turned away homeless people at some point during the past six months.

Another indication is that the number of calls from people either homeless or at risk of being homeless to the Maine State Housing Authority has increased by 74% in two years (Table 2).

Table 1
Increased Use of Maine Homeless Shelters
1986-1988

Source: Maine State Housing Authority Survey
of 31 Shelters, December, 1988

	February 1986	August 1986	February 1988	August 1988	Dec. 7 1988
Occupied bed days (month)	2314	2862	6270	6182	341 (1 day)
Average per day	83	92	224	199	341
Feb, 86 to Dec.88					
Bed increase		92.5%			
Avg.bd-day increase		312.6%			

*Note: Total beds fluctuate from month to month as temporary
beds are opened and closed within existing
shelters.

Table 2
Calls to Maine State Housing Authority Hot-Line
1986-1988

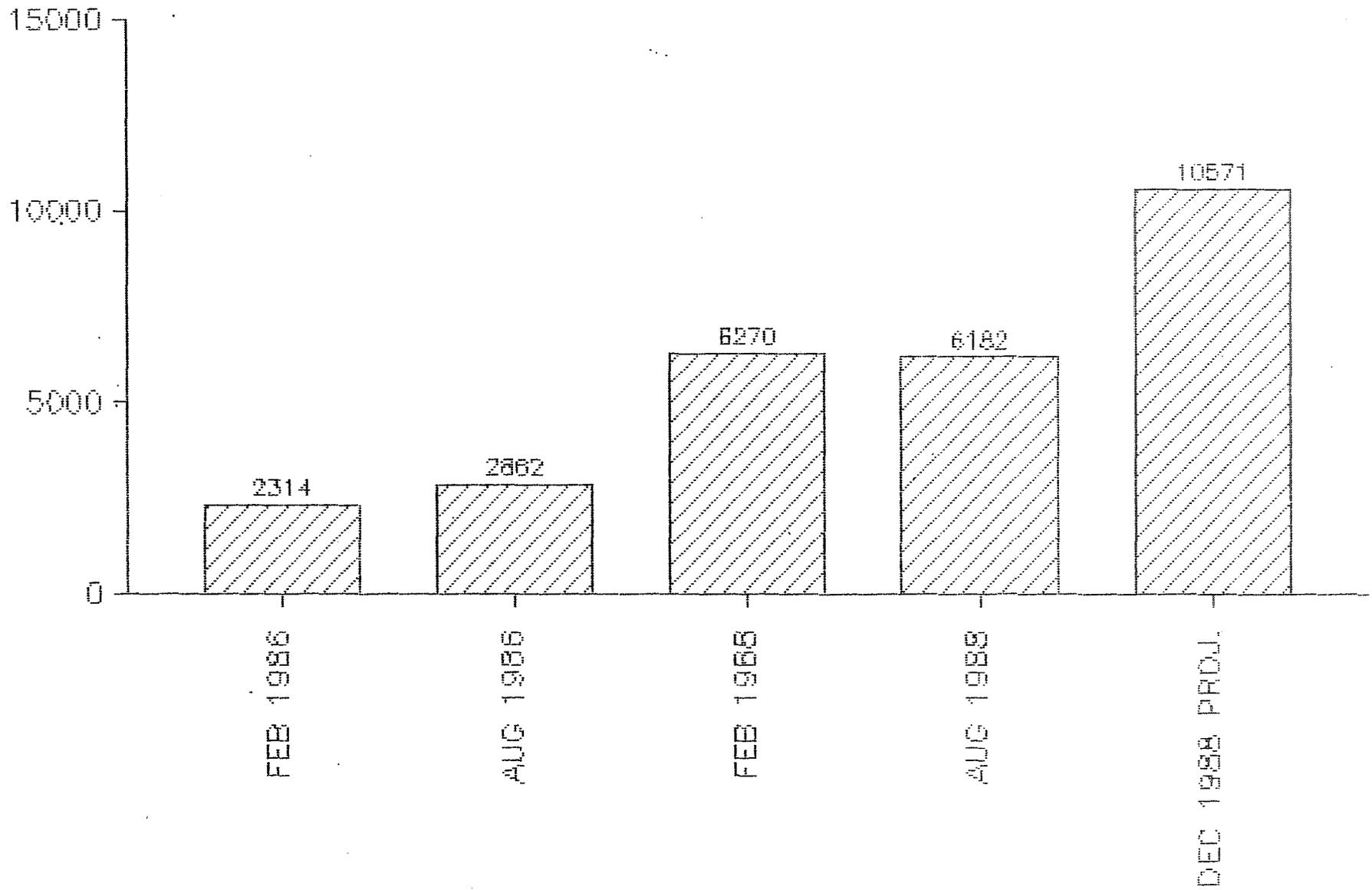
Source: Maine State Housing Authority Logs

	1986	1987	1988 (adj)	Increase	Percent
Total Calls					
Homeless or at risk	266	363	463	197	74%
Family composition					
Single person	44	32	68	24	54%
Couple	67	92	127	60	89%
Single parent	156	245	274	118	76%
# of children	418	601	778	360	86%

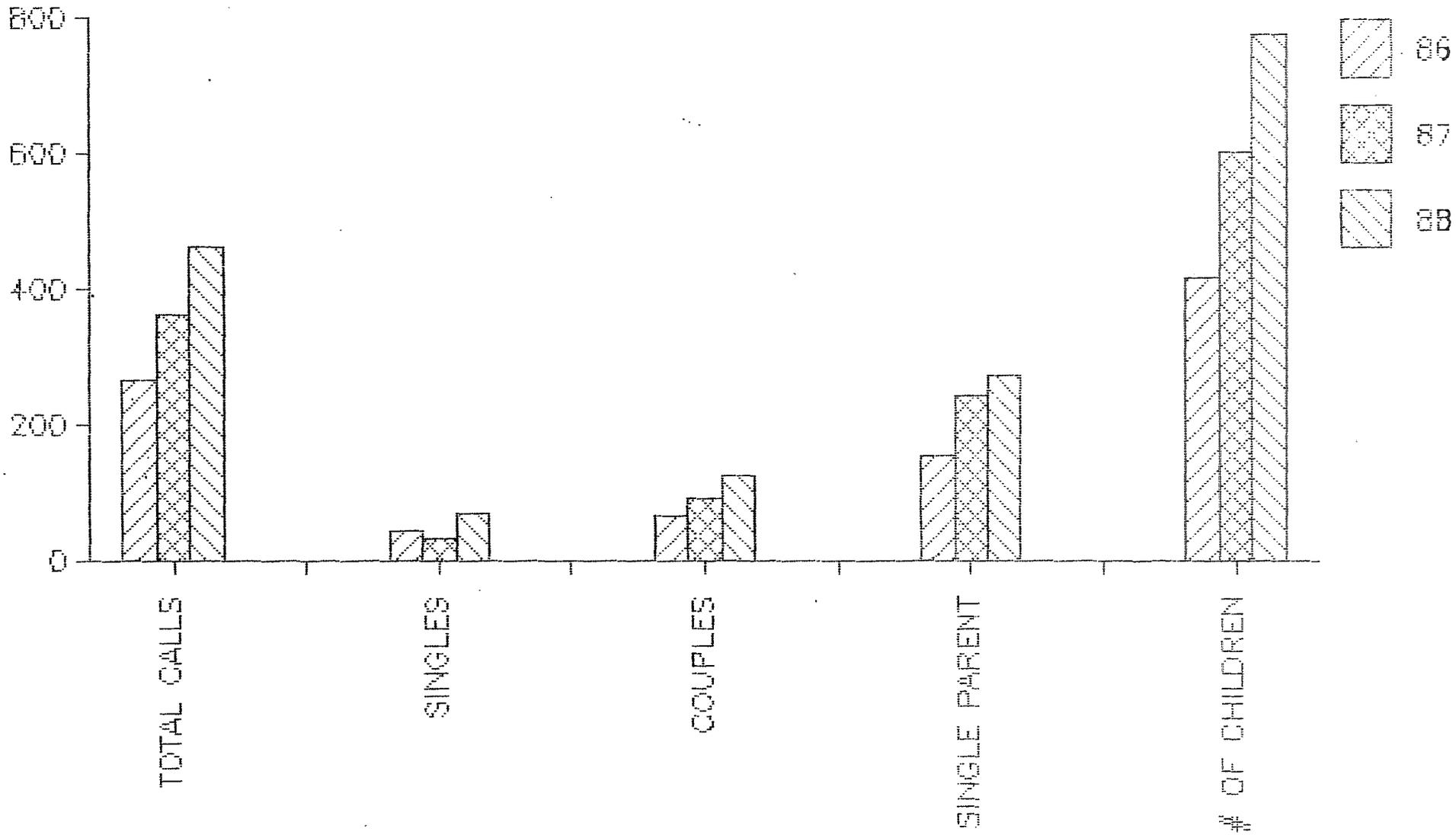
*Notes: 1) 1988 data complete for January to November;
December projected by taking '88
monthly average.

2) Due to differences in counting, total by family
composition may not equal total calls.

OCCUPIED BED-NIGHTS PER MONTH



MSHA HOTLINE CALLS HOMELESS/AT RISK OF HOMELESSNESS



The past three years have been record years of growth for Maine's employment and income. Why is homelessness growing? The reasons are as diverse as Maine's homeless population. Federal "social safety net" programs have been cut: food stamps, Medicaid, social services. Social Security disability recipients have been reduced through administrative action. Subsidized housing production has been cut back severely; while at the same time market forces have inflated rent and home costs. The promise of community homes for "deinstitutionalized" mentally ill has not been met. Drug use has increased. Stresses on the family have led to increased reports of abuse. All of these factors have contributed to homelessness in Maine and the nation.

The homeless people of Maine are a diverse lot. Some are teen-agers or mothers and children escaping an abusive parent. Some are single adults or parents laid off from jobs. Some are people with chronic mental or substance abuse problems. Some were evicted or foreclosed. Some had their homes or apartments burn down.

The fastest growing group of homeless people in Maine, according to MSHA Hot-Line data (Table 2) and shelter operators, is families with children.

Homelessness is more than a housing problem. While no special studies have been done in Maine, a recent national study by the National Academy of Sciences (Homelessness, Health, and Human Needs, National Academy Press, 1988) indicates the extent of other problems. The study estimates that one-third of homeless people have mental illnesses; 25-50% have alcohol problems; 10-30% use drugs; one-third have combined problems of mental illness, alcohol, or drugs. Chronic physical disorders are twice as prevalent among homeless children than other children. The report concludes:

" Homeless people experience a wide range of illnesses and injuries to an extent that is much greater than that experienced by the population as a whole. First of all, health problems themselves, directly or indirectly, may cause or contribute to a person's becoming or remaining homeless. The leading example is major mental illness, especially schizophrenia, in the absence of treatment facilities and supportive housing arrangements. Second, the condition of homelessness may cause and exacerbate a wide range of health problems. Just as ill health can cause homelessness, so can homelessness cause ill health. Examples of this include skin disorders and the sequelae of a traumatic injury."

(p. 68, Homelessness, Health, and Human Needs)

Once homeless, the road back to stability is long and hard. Subsidized apartments are full. Private apartments are expensive. Jobs are hard to find; those available often pay a minimum wage insufficient to escape homelessness. Affordable child care is unavailable, and social and educational development for children is disrupted.

On top of all this, spirit, ambition, and self-confidence are dealt a heavy blow. Survival becomes an all-consuming fight.

" I lost my job and couldn't pay the rent. We went to court last week and the judge said me, my wife and two children, have to be out of the apartment by the end of this week. Instead of searching for employment, I'm looking for a place to live. If we can't find a place, I guess we'll move up north and stay with relatives in their two room house."

" My building has been sold and the new owner will be taking my apartment. I've looked everywhere to find a place large enough for me and my five children. I've called everyone who might be able to help. One suggestion was that I pick out a couple of my children and give them to the State."

2. What the Maine State Housing Authority Has Done

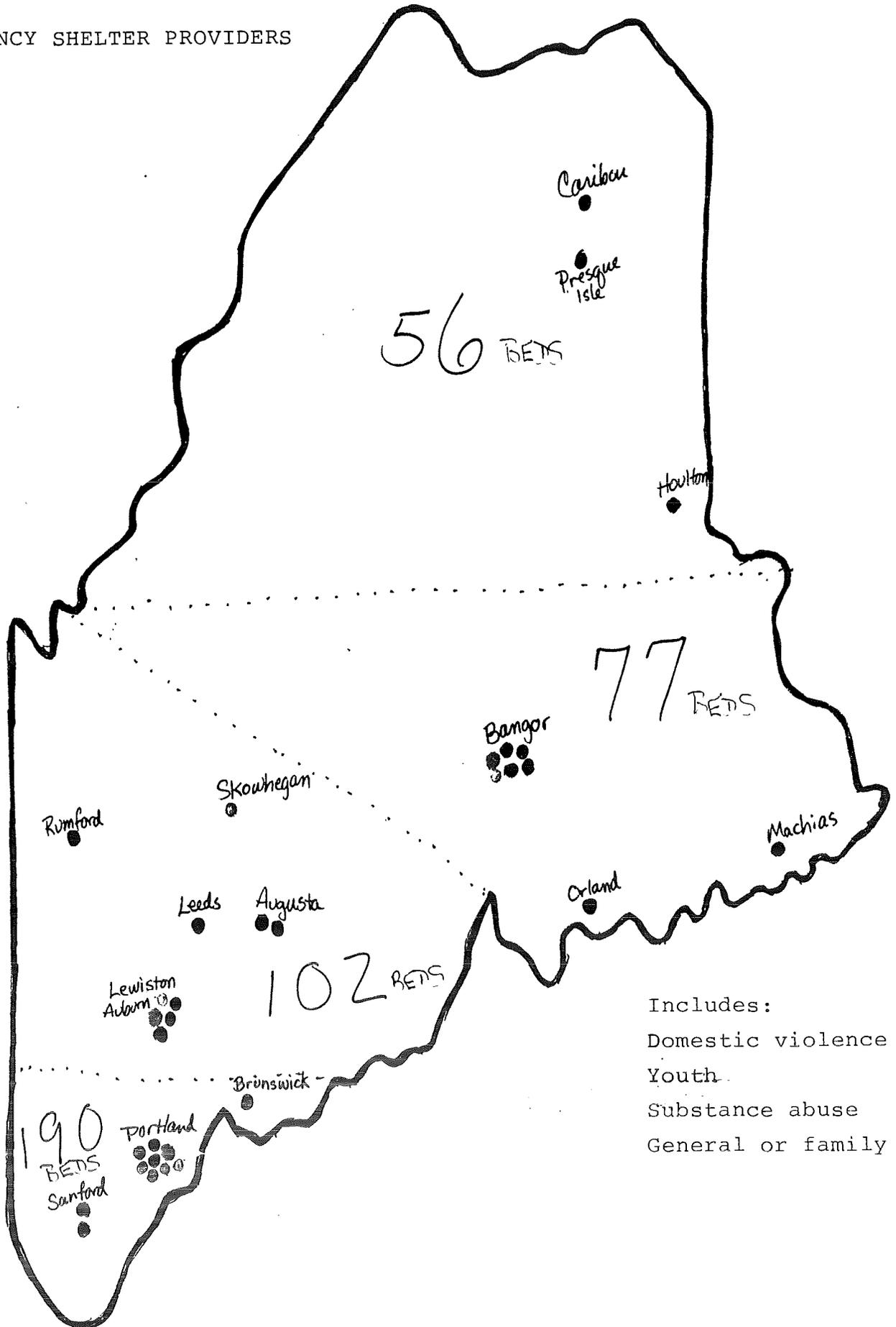
The Maine State Housing Authority has actively promoted services for Maine's homeless people for the past five years.

In 1983 MSHA financed shelters in Caribou, Auburn, Rumford, and Bangor. In 1985 MSHA financed two shelters in Portland, and one in Lewiston; and chaired a Governor's Task Force on Homeless which produced the widely read report To Have a Home. In 1986 MSHA worked with local housing authorities in seven communities to create "PATH" (Partnership to Aid the Homeless) networks; in this program the MSHA and local housing authorities provided 100 Section 8 rent subsidy certificates to homeless families, while the community provided needed services like counselling, job training, etc. That same year three new shelters were financed by MSHA, and three more were refinanced and rehabilitated. In 1987 MSHA provided grants of up to \$10,000 to 16 shelters for improvements; helped finance two transitional housing projects, two homes for the mentally ill, and two shelters; and provided 16 additional grants of up to \$25,000 for shelter improvements. In 1988 MSHA financed three new transitional housing projects; and created a Transitional Living Demonstration with 6 community action agencies that will create up to 30 new units of housing for homeless families, with coordinated services and counselling.

In all, MSHA has committed, lent, or granted \$2.5 million of MSHA funds, and \$257,000 of HUD funds, to emergency, temporary, and transitional housing for Maine's homeless residents. This has resulted in the addition of over 150 beds, and the improvement of countless others (see attached map).

But in light of the growing problem, more clearly needs to be done.

EMERGENCY SHELTER PROVIDERS



- Includes:
- Domestic violence
 - Youth
 - Substance abuse
 - General or family

3. A Strategy for Prevention

GOALS

Homelessness is not a static condition. People become homeless through the loss of a house or apartment; and recover from homelessness by returning to an apartment or home. The goal of public policy should not just be to provide emergency shelter for people when they are homeless; but to intervene before they become homeless, by helping them overcome the obstacles to staying in current apartments or homes; and once homeless, to promote their return to an apartment or home as quickly as possible. So the three goals for Maine public policy are:

- 1) Prevention of homelessness through early intervention;
- 2) Transition out of homelessness to permanent and viable housing; and
- 3) Shelter for those in temporary need.

PROGRAMS

The following are three proposals which address the goals of prevention, transition, and shelter, with particular attention to the needs of the growing homeless population of families with children. They are not the whole answer to Maine's homeless problem. Other groups, such as the Maine Homeless Coalition and Governor's Task Force, have identified needs for better coordination, better services, more group homes for special populations, and the like. We look forward to working with them and others to develop a comprehensive strategy for addressing Maine's homeless problem. The following proposals are provided as a way of beginning the discussion.

GOAL #1 -- PREVENTION. In the long run, prevention requires an incomes strategy and an affordable housing strategy. The incomes of at-risk people should be increased. This involves raising the AFDC payment and SSI payment levels to keep pace with inflation; and raising the minimum wage (a fifth to a quarter of homeless people have jobs, but still do not earn enough to afford housing!). New low cost housing should be created to make up for the loss of single room occupancy units and the conversion of older housing into condominiums and high-cost apartments.

But as these long range strategies are pursued, there is a more immediate action Maine can take to prevent homelessness from occurring:

RECOMMENDATION 1. CREATION OF A HOMELESSNESS PREVENTION FUND.

The State of New Jersey has a Homelessness Prevention Program that is a model for Maine. That program provides temporary assistance of last resort to individuals and families facing imminent eviction or foreclosure for reasons beyond their control. Reasons include loss of employment, medical emergency, loss or delay of benefits, natural disaster, crime victimization, forced displacement by landlord actions, non-payment of child support, and divorce. The program requires documentation of imminent homelessness, and documentation that all reasonable efforts to receive alternative funding have been made.

The program makes short-term loans and grants for tenant security deposits, rent arrearages, forward rent payments, and second mortgage loans. Preliminary evaluations show that the program has about a two-thirds success rate (after a year the family is still in its current dwelling, or has moved to another by choice); that it is two to three times more cost-effective than shelters; and that it is 10-20 times more cost-effective than welfare motels.

GOAL #2 -- TRANSITION. Individuals and families who are homeless should be helped to find permanent and viable housing as soon as possible. "Permanent and viable" housing will vary according to the population served. For families, it will be private or subsidized housing. For the mentally ill, it may be a group home. For individuals, it may be a single room occupancy unit or apartment.

However, because many homeless have social or psychological problems that are obstacles to finding permanent housing, "transition" housing, with appropriate counselling and services, may be needed for the short term (several months to two years). Substance abusers may need to stay in a structured group home for a time. Families may need a structured setting to re-organize finances, get job-training or further schooling, and get back on their feet. Youth may need a structured group-living experience. The following recommendation deals specifically with the needs of the growing population of homeless families.

RECOMMENDATION 2. CREATE TRANSITIONAL HOUSING FOR FAMILIES.

The Maine State Housing Authority has developed a model, with six community action agencies, for creating transitional housing for families with local support services. The demonstration program, however, will only produce 20 to 30 new units of transitional housing. The model should be expanded and applied throughout the State.

One element of an expanded program is already in place. The Maine State Housing Authority can provide low cost financing for the purchase, construction, or rehabilitation of many more transitional housing units. However there is an obstacle to such expansion. The incomes of homeless families are, in general, insufficient to pay adequate rents to support even the lower cost mortgages available.

To address this problem, the State should create a short-term rent support program to help homeless families pay the rent required for new transitional housing units. In the long run, as above, the costs for such rent subsidies will be less than the cost of supporting such families in a homeless condition. And it will give families needed help to make the transition back to permanent housing and a new life.

In addition, homeless families should also be eligible to seek funds from the Homelessness Prevention Program (Recommendation #1) to help get a foothold in permanent housing in the community.

GOAL #3 -- SHELTER. Taking the steps recommended above should help reduce the pressure on emergency shelters. However shelter use is still growing rapidly. Shelters are not available in all parts of the state. Most shelters report having turned away homeless people in the last six months. Some shelters are in need of improvements and rehabilitation. There remains a need to upgrade and expand the emergency shelter network in Maine.

RECOMMENDATION 3. IMPROVE AND EXPAND SHELTER SYSTEM.

This requires two types of actions. The first is the financing of shelter improvements and expansions. This can be done with current MSHA programs. As a part of the overall effort, existing shelters could be re-financed by MSHA on better terms, thus reducing fixed mortgage costs and allowing them to expand services.

The second is to provide flexible service funds to shelters. Current shelter funding is a patchwork. Funding is often limited to special populations and services. While there is a need for "special purpose" shelters to serve specific populations, there is also a need for some flexible funding for shelters to use to meet the needs of homeless people who do not fit into one slot or another. State funds could be provided to general purpose shelters as a match to local or United Way funds.

COSTS

Estimated costs for the above initiatives (in thousands of dollars) are as follows:

# ACTION	UNITS	#ASSISTED	\$PER UNIT	GENERAL FUND (2 year)
1 Homelessness Prevention Fund	families	1,000	\$1,000	\$1,000,000
2 Transition Hsg	units	100	\$6,000	600,000
3 Shelter funds	shelters	20	\$25,000	<u>500,000</u>
Total				\$2,100,000

In all, this program would cost the State of Maine General Fund \$2.1 million for the biennium, or about \$1 million a year.

4. Conclusion

Homelessness is not inevitable. It has increased in recent years as a result of specific governmental policies. Likewise it can be reduced in future years by conscious government commitment and action.

We have submitted our recommendations for action in this report. We look forward to working with the Maine Coalition on Homelessness, the Governor's Task Force, and other concerned parties in developing a comprehensive strategy for addressing Maine's critical homelessness problem this year.

Appendix
List of Shelters Cooperating with MSHA Survey

December, 1988

Shelter	Location	Primary Population Served	# Beds
RCAM	Leeds	Adult/no subst abuse	10
New Beginnings	Lewiston	Substance abuse	10
Fellowship House	Lewiston	Substance abuse	3
Hope Haven	Lewiston	General/no subst abs	30
St. Andre's	Lewiston	Women	8
Family Support Ctr	Caribou	Adult women	22
Family Support Ctr	Houlton	Adult women	14
Temporary shltr/hmlss	Presque Isle	General	20
Tedford House	Brunswick	General	12
Arnie Hauser Ctr	Portland	General/subst abuse	20
Bridge Program	Portland	Mentally ill	12
Cumberland Cty Shltr	Portland	General/no youth	40
Family Crisis Shltr	Portland	Adult women	15
Friendship House	Portland	Adult men	13
Salvation Army	Portland	Youth	16
Youth Alternatives	South Ptld	Youth	12
City Welfare (Ptld)	Portland	General	65
St. Francis	East Orland	General/no subst abs	12
Bread of Life	Augusta	General	10
Family Violence Prjct	Augusta	Adult women	10
New Hope for Women	Rockland	Adult women	29
Chisholm Family Shltr	Rumford	General/adult women	9
City Welfare (Bangor)	Bangor	General/adult women	14
Hope House	Bangor	Sub abuse, male	39
St. Andre's	Bangor	Adult women	8
Spruce Run Assoc	Bangor	Adult women	15
Halcyon House	Hinckley	Youth	10
Womankind	Machias	Single adult women	6
York Cty Alcoholism	Alfred	General/adult women	50
Caring Unlimited	Sanford	Adult women	15
Jordan House	Portland	General/ment ill	63
Total			612