U.S. Department of Housing and Urban Development
Office of Policy Development and Research

PD&R

Evaluation of the Emergency Shelter Grants Program

Volume II: Site Profiles

Evaluation of the Emergency Shelter Grants Program

Volume II: Site Profiles

Prepared for:
U.S. Department of Housing and Urban Development
Office of Policy Development and Research

Prepared by:
Abt Associates
Judith D. Feins
Linda B. Fosburg
Christine Barron
Nancy Kay
Deborah Baker

Contract: H-5882

September 1994

FOREWORD

The Emergency Shelter Grants (ESG) program is one of the oldest and most widely used of the McKinney Act programs. *Evaluation of the Emergency Shelter Grants Program* provides valuable information on the activities and resources of grantees and providers, their needs for and uses of Federal assistance, and the effectiveness of ESG in meeting those needs.

The evaluation shows that, although ESG provides only 10 percent of the average ESG provider's operating budget, it has been an important resource for shelter providers. By meeting the most basic needs for operating funds and appropriate facilities, ESG has enabled providers to use other funding sources to offer additional programs and services. As a formula grant, ESG also targets funding to areas of need. With expansions in the range of eligible ESG activities, providers have shifted a growing share of their grants away from capital expenditures and toward essential services and homeless prevention initiatives.

ESG is one of HUD's oldest programs to assist the homeless. However, as we have gained experience, our approaches to serving homeless people have evolved to focus more on permanent solutions. We now recognize that emergency care alone will not solve homelessness and is only the first step toward the long-term goal of enabling homeless people to make the transition into permanent housing.

The lessons that emerge from this evaluation have immediate relevance to ongoing efforts to reform assistance to the homeless. HUD is working with other Federal agencies, State and local governments, shelter and social service providers, and homeless persons to reshape and coordinate Federal assistance. This approach will foster the development of comprehensive local systems capable of providing the "continuum of care" needed to reduce homelessness. Homeless persons will be brought into a system which assesses their problems, provides them with the services and housing they need to lead independent lives, and helps them make a successful transition from temporary shelter to permanent housing. HUD has proposed to reorganize the existing array of HUD McKinney homeless assistance grants for the purpose of enabling communities to establish comprehensive systems to meet the multidimensional needs of homeless persons. Many of the issues discussed in this evaluation—formula funding, the role of grantees, local strategic planning, and others—will be central to this dialogue. *Evaluation of the Emergency Shelter Grants Program* offers useful information to anyone interested in the future of Federal homeless assistance efforts.

Michael A. Stegman

Michael A. Stegman
Assistant Secretary for
Policy Development and Research

EMERGENCY SHELTER GRANTS PROGRAM EVALUATION

TABLE OF CONTENTS

Emergency Shelter Grants Program Evaluation

TABLE OF CONTENTS—EXHIBITS

CHAPTER 1

EMERGENCY SHELTER GRANTS PROGRAM EVALUATION

SITE PROFILE: STATE OF ALABAMA

1.1 Site Overview

The state of Alabama, located in the southeastern United States, ranks 29th in area among the states and covers 51,609 square miles. The state's population (4 million in 1990) and major economic markets are divided into 12 entitlement areas (11 cities and 1 county) that receive direct Community Development Block Grant (CDBG) funding by formula, 19 non-entitlement metropolitan areas (all urban counties), and 48 non-entitlement, non-metropolitan counties. According to the State of Alabama Comprehensive Housing Affordability Strategy (CHAS), the majority of the state's population lives in the entitlement and non-entitlement metropolitan areas (38 percent and 28 percent, respectively).[1] As noted in the FY 92 CHAS, job opportunities are more abundant in these areas than in the rest of the state. Similarly, services and amenities are most available in the entitlement areas.[2]

Once one of the country's leading producers of iron and steel products, Alabama became an early part of the "rust belt" when that industry faltered. Since 1986, however, Alabama has coupled a favorable tax structure, aggressive marketing programs, and a pro-business stance with its natural resources, to be ranked first in industrial development in 1990. Increased capital investment, decreased unemployment, and an influx of 485 new industries are factors in the improving economy of the state.[3] The changes in the economic base bring promise and also pose new challenges, especially to those who are undereducated and have few marketable job skills. According to the Governor:

> Alabama must continue to prepare for the new age of high tech industries by improving our educational system, developing our natural and human resources, and working to make our state a more marketable commodity.[4]

---

[1] *State of Alabama Comprehensive Housing Affordability Strategy (CHAS), Fiscal Year 1992 (October, 1991 Submission)*. Alabama Housing Finance Authority, p. 124.

[2] *Ibid.*, p. 122.

[3] *Ibid.*, p. 109.

[4] *Ibid.*, p. 109.

Despite the improving economic conditions in Alabama, one-fifth of the population is classified below the poverty level. Adequate housing is also lacking: nearly 9 percent of the renter-occupied units in Alabama are classified as crowded (more than 1 person per room); nearly 8 percent are considered substandard (lacking indoor plumbing and/or central heating);[5] and many counties in Alabama lack sufficient housing for the current populations.[6] One consequence is that Alabama has a significant number of homeless people and an even greater number at risk of becoming homeless, yet accurate counts are "scanty and incomplete."[7] Attempts have been made to estimate the numbers of homeless persons in the metropolitan areas of the state, but to date, none have been made for the vast rural areas of Alabama. The 1990 Comprehensive Homeless Assistance Plans (CHAPs) of Birmingham, Huntsville, Jefferson County, Mobile, and Montgomery,[8] and Tuscaloosa's FY 92 CHAS[9] provide the estimates regarding homelessness shown in Exhibit 1.1.

These numbers yield a rate of 2.6 homeless persons per 1,000 in the metropolitan population, double a 1987 estimated rate.[10] Yet, this is a very conservative estimate; it generally does not take into account the rural and economically distressed counties in the

[5] *Ibid.*, pp. 50-51.

[6] Insufficiencies by county: Tuscaloosa--19.6 percent, Montgomery--10.1 percent, and Jefferson--7.5 percent. *Ibid.*, p. 86.

[7] While some of the CHAS documents indicated that the 1990 S-Night Census would help to alleviate this data problem, according to those we interviewed in three metropolitan areas, the results were totally unreliable. For example, the Census S-Night count in Montgomery found 5 homeless people in that city, ignoring that the shelter population alone was in excess of 30 times that number.

[8] Summarized in the *State of Alabama CHAS*, p. 70.

[9] *City of Tuscaloosa, Comprehensive Housing Affordability Strategy (CHAS), December 1991.* Community Planning and Development Department. pp. 26-28.

[10] An earlier study, completed in February 1987, examined the numbers of person residing in shelters in eight of the most populous cities--Anniston, Birmingham, Florence, Gadsden, Huntsville, Mobile, Montgomery, and Tuscaloosa. That enumeration showed 1,267 homeless persons--1,164 living in 52 shelters, and 103 others living on the streets of Birmingham. Extrapolation of that number to the total population of those cities yields 1.3 homeless persons per 1,000 in the population. [Mark LaGory and Ferris J. Richey. *Alabama's Homeless: A Preliminary Report.* Birmingham, Alabama: Department of Sociology, University of Alabama at Birmingham, February, 1987.]

southern part of Alabama where the highest proportion of housing units are crowded, substandard, and occupied by the poor.[11]

Exhibit 1.1

Homeless Estimates for Metropolitan Areas of Alabama

City	Number of Homeless[12]	Number of Facilities	Number of Beds	Population
Birmingham	700	12	455	265,968
Huntsville	870	13	795	169,400
Jefferson County	598	16	350	352,060
Mobile	900	8	356	210,733
Montgomery	150	7	109[13]	197,038
Tuscaloosa	253	5	75	54,556
Totals	**3,266**	**59**	**2,140**	**1,279,755**

Alabama is one of the few states in the nation that administers its allocation of the Emergency Shelter Grants Program (ESG) through intermediate local governments (recipients). Recipients are the middle level of ESG administration, between grantees and providers. A small number of grantees continue to use recipients as a mechanism for distributing ESG funding. By

[11] *State of Alabama CHAS*, pp. 59-60.

[12] *The count of homeless persons in these six entitlement areas is very conservative*. It only includes those who have emergency shelter beds or are determined to be living on the streets. *It does not include the following groups*: Those in precarious housing (i.e., doubled-up with friends and family), in transitional housing facilities, in institutions for the mentally retarded or mentally ill, or those with substance abuse problems and/or HIV/AIDS. Indications of the shortage of emergency shelter beds are available from several sources. The Alabama FY 92 CHAS mentions an estimated shortfall in Mobile of 1,200 beds (p. 76). According to the Tuscaloosa FY 92 CHAS, as of August 1991, inclusion of the above mentioned homeless groups would have increased the enumeration of the homeless in Tuscaloosa to 1,112 or 2,216 percent of the Census count of 48 (pp. 25-28).

[13] *City of Montgomery, FY 92-96 Comprehensive Housing Affordability Strategy (CHAS), DRAFT, October 11, 1991*. Community Development Division, p. 73.

the definition adopted for this evaluation, recipients receive money from a grantee (usually a state) and decide how the ESG funds will be allocated in the local area.

In FFY 91, the state allocated ESG funds through 12 recipients (10 entitlement areas and 2 non-entitlement metropolitan areas).[14] During the evaluation site visit to Alabama, we visited the recipient agency and one homeless services provider in each of three entitlement areas as well as the state offices in Montgomery.[15] The entities consulted during the Alabama site visit were:

- Alabama Department of Economic and Community Affairs (ADECA) (the grantee agency);
- City of Birmingham Department of Community Development (recipient agency);
  - -- Cooperative Downtown Ministries Old Firehouse Shelter;
- City of Montgomery Community Development Division (recipient agency);
  - -- Alf Cox Fellowship Home; and
- City of Tuscaloosa Community Planning and Development Department (recipient agency);
  - -- Spouse Abuse Network Shelter.

1.2 Program Description

The state of Alabama contributes no state-generated funds for services to the homeless. Instead, the state relies on local governments and federal funding (especially ESG and CDBG) to address this issue. The Alabama Department of Economic and Community Affairs (ADECA) administers the ESG and works closely with the state's Housing Department regarding the administration of CDBG funds. At all three recipient agencies we visited, the community development agency that administers the ESG also administers the city's CDBG funds. In FFY

[14] The fiscal years pertaining to federal allocations of ESG funding are labelled FFY (Federal Fiscal Year), to distinguish from the fiscal years of the agencies receiving ESG grants.

[15] See also the site visit profiles for the City of Birmingham, Alabama and Jefferson County, Alabama. These reports indicate how ESG funds from three sources are applied to services for the homeless in one geographic area.

1991, ESG funding was allocated to these three recipients through a competitive process administered by ADECA, as shown in Exhibit 1.2.

Exhibit 1.2

Allocation of ESG Funds by ADECA

City	Total Allocation State ESG	Number of Providers	Funded Activities[16]	Percentage
Birmingham	$90,954	8	OPS	80.1
			ES	19.9
Montgomery	$142,000	4	C/R/R	91.3
			OPS	8.7
Tuscaloosa	$ 9,680	1	C/R/R	74.4
			OPS	19.2
			HP	6.4

The distribution of ESG funding to specific activities reflects the needs of the community and the strategy of the local community development agency for meeting those needs. Birmingham's strategy is to provide funding for operations, while Montgomery's approach has been more conservative--almost all of the federal funds allocated to homeless service providers have been expended for capital improvements. Tuscaloosa's focus has been on opening and supporting one facility.

The most pressing needs of each city's homeless population vary. In Birmingham, one official indicated that the requests for funding are ten times greater than the amounts available. The number of single women with children who are homeless as a result of domestic violence or abandonment is rising sharply, and there are only two shelters that target this group. In Montgomery, the two groups most in need of expanded services are victims of domestic violence and substance abusers. In Tuscaloosa, the group most in need is homeless families. Over half

[16] The following are the ESG-funded activities: C/R/R (conversion, renovation, rehabilitation), OPS (operations), ES (essential services), and HP (homelessness prevention).

of Tuscaloosa's population has low or moderate incomes.[17] Yet, if any of the city's families become homeless, only two small shelters, maintained by the Salvation Army, are available to meet their needs. The other population underserved in Tuscaloosa is the Severely Mentally Ill (SMI), who have no permanent residence to which they can return when released back into the community.

Three of the provider agencies receiving ESG funding from the ADECA grant were visited: the Cooperative Downtown Ministries' Old Firehouse Shelter in Birmingham, the Spouse Abuse Network Shelter in Tuscaloosa, and the Alf Cox Chemical Addictions Program Fellowship House in Montgomery. Exhibit 1.3 contains information on these three homeless-services providers who have been receiving funding from ADECA since as early as FFY 87S.

Birmingham's Old Firehouse Shelter was opened by the Shelter Work Group of the Greater Birmingham Ministries in 1983 to serve the needs of the homeless in downtown Birmingham. It is currently operated by Cooperative Downtown Ministries, the administrative body for this shelter alone. As one of 12 emergency shelters in Birmingham, the Old Fire House Shelter operates three programs: a night shelter for 45 men (which can expand to 70, with mats on the floor, if the temperature drops below freezing); a day program of individual counseling and essential services relating to educational, social, and employment needs; and a soup kitchen serving lunch for 200 men, women and children per day. This shelter has received ESG funding from ADECA through the city of Birmingham since FFY 88, primarily for operations (utilities, insurance, security, and supplies). *In FFY 91, it also received ESG funding from three other sources*: ADECA funding through Jefferson County, the city of Birmingham's ESG entitlement allocation, and Jefferson County's ESG entitlement allocation. With the exception of the grant from Jefferson County (for a combination of operations, essential services, and homelessness prevention), all of the ESG funds have been used to support operations.

The Old Firehouse Shelter is a very busy facility with a total cash operating budget of $226,127, of which 5.8 percent is from two ESG allotments from ADECA (one through Birmingham and one through Jefferson County). Additional ESG allotments (amounting to 15.6 percent more of the operating budget) come directly from the city of Birmingham and Jefferson County. The shelter has only six paid staff and relies on the additional support of 600 volunteers per month. Over time, the Old Firehouse Shelter has received funding from a variety

[17] *Tuscaloosa CHAS*, pp. 5.

Exhibit 1.3

Emergency Shelter Grants Program
Characteristics of State of Alabama Providers

Provider Characteristics	Selected Providers in the State of Alabama: Cooperative Downtown Ministries, Old Firehouse Shelter (FS), Birmingham	Alf Cox Fellowship House/Chemical Addictions Program (Alf Cox/CAP), Montgomery	Spouse Abuse Network Shelter (SANS), Tuscaloosa
Type of Organization	Private, Non-profit	Private, Non-profit	Private, Non-profit
Year Begun	1983	1979	1979
Year Began Serving the Homeless	1983	1979	1979
Populations Served	Single men (overnight); Any homeless person (day program or soup kitchen)	Adults with all forms of chemical abuse and dependency	Female victims of domestic violence with and without children

History of ESG Funding	FS: State to City[1]	FS: State to County[2]	FS: HUD to City	FS: HUD to County	Alf Cox/CAP: State to City	SANS: State to City[3]
FFY 87	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
FFY 87S	0	0	0	0	18000	0
FFY 88	1400	0	0	0	0	0
FFY 89	0	0	0	0	8817	35000
FFY 90	11000	0	0	0	22710	0
FFY 91	5660	7440	29300	600	15000	9680

[1] City of Birmingham.

[2] Jefferson County

[3] Tuscaloosa is not an ESG entitlement jurisdiction.

Exhibit 1.3, continued

Provider Characteristics	Selected Providers in the State of Alabama		
	Cooperative Downtown Ministries, Old Firehouse Shelter (FS), Birmingham	Alf Cox Fellowship House/Chemical Addictions Program (Alf Cox/CAP), Montgomery	Spouse Abuse Network Shelter (SANS), Tuscaloosa
ESG-Supported Activities	FFY 87S-FFY 91: Operations FFY 91 (Jefferson Co.): Operations, Essential Services, Homelessness Prevention	FFY 87S-FFY 91: Rehabilitation FFY 90: Operations	FFY 89, 91: Renovations, Operations, Homelessness Prevention
Other Activities Serving the Homeless	Day program of counseling, education, social and employment services; soup kitchen	Residential rehabilitation program, including counseling	Essential services
Total FY 91 Budget[4] Percent from ESG	\$226,127 State: 5.8% All Sources: 21.4%	\$193,089	\$197,664 4.9%

[4] Cash budget for homeless activities, for the year in which FFY 91 ESG funding was received.

of sources. Birmingham's Housing Authority contributed CDBG funds to the initial conversion; CDBG funds were also used to renovate the second floor, adding offices and dormitory space. During FFY 91, the Old Firehouse Shelter received substantial funding and support from CDBG, FEMA, local donations, and USDA (commodities). During the same period, the night shelter program served 1500 men who, once admitted, could stay for as long as their circumstances required.

Montgomery's Alf Cox Fellowship House has operated since 1979 as a residential rehabilitation (half-way) house for "recovering alcoholics and drug addicts who do not have a suitable living environment to maintain and reinforce their continued recovery."[18] It was developed as one component of the Chemical Addictions Program (CAP), a private, nonprofit agency that also operates a crisis residential (quarter-way) program, an ambulatory program for day treatment services for adults and adolescents (used by the residents of the Alf Cox Fellowship House and others), court and family programs, and a prison pre-release program. The Alf Cox Fellowship House is located in a 100 year-old building that was originally constructed as a girls' finishing school. It is one of eight group emergency and transitional shelter facilities in the Montgomery area. This shelter has received ESG funding from ADECA through the city of Montgomery, every year since FFY 87S, except FY 88. All of the ESG funding has been used for renovations, with the exception of FFY 90 funds used to purchase furniture and equipment. In total, CAP has spent over $250,000 on capital improvements to this facility.

The Alf Cox Fellowship House is a 21-bed residential treatment facility with intensive services, serving 15 males and 6 females. Its total operating budget was $193,089 for FY 91, while CAP's operating budget was $1,236,824 for the same year. The ESG allocation represented 7.8 percent of the total for the shelter, while the Alabama Department of Mental Health provided 70.7 percent of the funding. Recent budget cuts from the state have forced a severe staffing reduction (from 17 to 8 staff) and a commensurate reduction in the other services offered by CAP. However, Alf Cox Fellowship House continues to operate at full capacity; during FY 91 the shelter provided 7,461 bed days of services (20.44 average occupancy per day).

---

[18] *Montgomery CHAS*, p. 74.

Tuscaloosa's Spouse Abuse Network began providing services to victims of domestic violence in 1979, in one room at the local hospital. Their early clients had to wait to get into the program, could stay for only one week, and had to eat in the cafeteria. By 1985, the Spouse Abuse Network found a house to rent and finally, in 1989, received sufficient grant funding to purchase the current building and begin its conversion. The shelter is a 19-bed facility, situated in a former single-family home (now expanded to over 6000 square feet of living space). The location of this beautiful residence for women and their children is confidential. As one of five emergency shelters in Tuscaloosa, the Spouse Abuse Network's Shelter provides clients with shelter for up to thirty days, food, clothing, counseling, and other services needed to help them find employment and a place to live.

To purchase the current shelter, the Spouse Abuse Network received a 1989 CDBG grant to cover 25 percent of the mortgage amount and some renovations, as well as ESG funding for a combination of renovations, operations (furnishings), and homelessness prevention. The FFY 91 ESG funding, allocated to the same three activities, permitted the shelter to make one bathroom handicapped-accessible and to add a securely-fenced play yard for the children. This funding also paid the first month's rent for women moving into permanent housing, and was also used to purchase linens and other needed supplies.

The Spouse Abuse Network's Shelter had an FY 91 operating budget of $197,664, of which 4.9 percent was from the ESG State of Alabama allotment (ADECA) through the city of Tuscaloosa. It has eight paid staff and relies on additional support from counseling interns from the University of Alabama. Over time, the shelter has received funding from a wide variety of sources including the United Way, Office of Prosecution Services, Victims of Crime Act funding, FEMA, and private donations. During FY 91, the shelter provided services to 360 women and children.

1.3 Implementation

The state of Alabama received its first Emergency Shelter Grants Program funding with the FFY 87 allocation. Initially, the Community Development Division of ADECA was assigned the responsibility for administering the program. Even though this agency was also responsible for administering the CDBG program, ESG was treated as a "side item" by the staff, and little or no monitoring was done. In 1991, the responsibility for ESG was transferred to the

Community Services Division where, for the first time, monitoring was undertaken by staff who were familiar with community services needs across the state and could better coordinate the various sources of assistance.[19]

Alabama has relied continuously on the recipient communities to set the priorities for the allocation of ESG funding among eligible activities and to make recommendations to ADECA on local priorities. While the state has set a $50,000 limit on the amount that can be requested by any service provider, and while ADECA reviews the proposals from the entitlement areas, the final decisions for the allocations have been made on the local level. For example, the state's first priority for the ESG funds has been to ensure sufficient emergency shelter beds in areas with greatest need, and secondly to support operations and essential services for the shelters. But local options prevail, as seen in the city of Montgomery's almost exclusive use of ESG for renovation and rehabilitation.

Over time, ADECA has only occasionally allocated ESG funds in response to requests from non-entitlement areas, and then mostly to counties bordering entitlement areas. This strategy has focused the ESG funding predominately on entitlement areas where (it is believed) the majority of the homeless are located and the local governments have the capacity to administer the program, conduct the environmental reviews, and provide the required financial accounting.

Exhibit 1.4 shows the history of ESG allocations by ADECA. With the exception of FFY 88, the largest portion of the ESG funds has consistently been allocated to capital improvements, followed by operations. When the Community Services Division assumed administrative responsibility for ESG in 1991, allocations for capital improvements increased sharply, and the number of recipients was expanded by four. That year also saw the first allocation for homelessness prevention.

Exhibit 1.4 also indicates the sources of matching funds for the three homeless-services providers visited in the recipient's jurisdictions. Given the proportions that ESG contributed to total operating budgets of the three shelters, identification of matching funds was no problem

---

[19] The Community Services Division of ADECA is responsible for administering several programs that are targeted to low-income and very low-income families: the Department of Health and Human Services programs--Community Services Block Grant, Low Income Household Energy Assistance Program (LIHEAP), Community Services Homeless funds, Community Services Food and Nutrition Program; the Department of Energy's Weatherization Program; and two Department of Housing and Urban Development programs--ESG and SAFAH.

Exhibit 1.4
ESG Funding History and Match Sources:
State of Alabama

		C/R/R	OPS	ES	HP	AD	TOTAL
History of ESG Funding	FFY 87	$56,673	$65,813	$ 2,375	N/A	N/A	$124,861
	FFY 87S	362,617	142,883	5,500	N/A	N/A	511,000
	FFY 88	17,000	64,000	0	N/A	N/A	81,000
	FFY 89	330,653	147,927	1,420	$ 0	N/A	480,000
	FFY 90	356,912	353,785	48,302	0	N/A	759,000
	FFY 91	485,638	107,190	41,440	13,020	$2,000	649,288
Percent Distribution of Funds Over Time	FFY 87	45.4%	52.7%	1.9%	N/A	N/A	100%
	FFY 87S	71.0	28.0	1.0	N/A	N/A	100
	FFY 88	21.0	79.0	0	N/A	N/A	100
	FFY 89	68.9	30.8	0.3	0%	N/A	100
	FFY 90	47.0	46.6	6.4	0	N/A	100
	FFY 91	74.8	16.5	6.4	2.0	0.3%	100
Matching Funds for ESG Allocations for FFY 91	PROVIDER/ACTIVITY		SOURCE				LEVEL
	FS	OPS	Federal (CDBG); individual contributions				Provider
	ALF COX	C/R/R	State (Department of Mental Health)				Provider
	SANS	C/R/R/, OPS, HP	United Way, Federal (CDBG, FEMA), Alabama Office of Prosecution Services, Victims of Crime Act				Provider

KEY: C/R/R=conversion, renovation, rehabilitation; OPS=shelter operations; ES=essential services
HP=homelessness prevention; AD=administration; FS-Firehouse Shelter
SANS=Spouse Abuse Network Shelter
N/A=Not Applicable—HP not separate from ES until FFY 89; AD not eligible activity until FFY 91.

for any of them. Two of the shelters named CDBG as one source of the match. Other sources included FEMA and spouse abuse funding from the Alabama Office of Prosecution Services and the Victims of Crime Act. Other substantial resources used to support the operations of the shelters came from many types of federal government and local contributions. The proportion contributed by the United Way, state, corporate, and individual sources varied considerably among the three. For example, Cooperative Downtown Ministries received substantial individual gifts, while the Chemical Addictions Program was heavily supported by a contract from Alabama's Department of Mental Health.

The continuing needs for additional emergency shelter beds and services in Alabama vary widely across the state. In some of the urban areas, such as Birmingham, the services available in the entitlement area have never met all of the local need. The emergency shelters are operating at capacity most of the time, but transients infiltrating the shelter system from other areas is not causing the overload. In other parts of the state, especially the west (where the textile industry has moved out and the few remaining jobs in the paper mills cannot support the population), there is a lack of services and emergency shelter despite the pressing need of those who have lost jobs and an affordable place to live. Yet with no systematic information regarding the needs for emergency shelter in rural areas, it is impossible to estimate the true demand. Employment in Alabama is no guarantee of security. The commutes from the rural areas are very long and expensive, in return for a minimum wage job. Many in this position are at serious risk of homelessness.

The primary needs for expanded emergency shelter in Birmingham, Montgomery, and Tuscaloosa are two-fold. Two types of facilities are required for families: shelters for victims of domestic violence, and shelters for intact families. At present, none of the three cities has sufficient emergency space for either type of family. For both, there is also need for transitional shelters and homes with full complements of essential services to support each family's return to independent living.

The second type of emergency shelter need is for homeless people disabled due to severe mental illness, substance abuse, or physical handicaps (including AIDS). Both Tuscaloosa and Birmingham have state mental hospitals nearby that occasionally discharge patients to shelters. The Old Firehouse Shelter will take those who are manageable, but there is not enough space for all who are in need of shelter. Moreover, Montgomery's Chemical Addiction Program cannot cope with the demand for treatment and ongoing support for substance abuse.

Subsidized housing is not readily available for the current clients at the shelters. The waiting lists of qualified families are very long relative to the supply of public housing and Section 8 certificates; even preference status does not assure rapid placement.

In general, the ESG recipients in Alabama have made the most of every ESG dollar through identification of the responsible service providers, encouragement of coordination of services, careful selection of capital improvement projects, and use of CDBG and/or ESG funds depending on the local strategy for expending those funds.[20] Yet there have been obstacles:

- "This is the Old South." Public support for low- and very low-income persons is frowned upon. The only public support in Alabama is Aid to Dependent Children (ADC); nothing is allowed for adults. Barriers to qualifying for public support are legendary: it is not unusual for a file of a victim of domestic abuse to read "left a financially responsible husband."

- There is not enough money to meet the needs; total requests for grants in some locations are ten times larger than the available funding.

- Many local governments have adopted the strategy of relying on "others" (e.g., churches and the United Way) to meet the needs of the homeless in the community.

- Some neighborhoods have effectively blocked the provision of services for the homeless in their area, even transitional housing.

Some of the frustrations encountered by the services providers include:

- The constant need for fundraising. Two of the three shelters have only one to two months of reserve funds on which to operate.

- Meeting the needs of the shelter's clients within the allowable length of stay, without the transitional shelters needed when they leave.

- Poorly targeted educational and job training programs. Many of the clients come into the shelter with minimum skills and require extensive and focused training.

- Lack of transportation for victims of domestic violence. Few shelters can operate without emergency transportation for clients; staff of the Spouse Abuse Network

[20] For example, Birmingham has adopted the strategy of using the more restrictive CDBG funds for capital improvements and the more flexible ESG funds for operations and essential services.

personally transport their clients to the shelter and need an unmarked van for this task.

- Multiple reporting requirements. The Old Firehouse Shelter has three ESG reports to file each month because ADECA, the city of Birmingham, and Jefferson County have different reporting schedules.[21]

1.4 Impact

Each of the three recipient cities and the service providers receiving state ESG support through them view these funds as particularly important. According to the Director of the Old Firehouse Shelter, the operations funding it receives, although a small part of the budget, helps make the difference in being able to offer services to the chronic homeless population. The city of Montgomery has worked on a series of capital improvement projects, with ESG funding producing an increased number of beds for the homeless and safer facilities (by the addition of fire escapes, up-to-code kitchens and heating plants). The Alf Cox Fellowship House has received from ESG some of the resources required to remodel and add space to its facilities. ESG funds have also been used for handicapped access, a new kitchen, and new furniture. At Tuscaloosa's Spouse Abuse Network Shelter, the ESG funds have been used to turn a single-family home into a 19-bed shelter that is secure, comfortable, and handicapped-accessible.

Although the ESG in Alabama is administered from Montgomery, by choosing a strategy of using local government recipients to identify local needs and strategies the state has succeeded in bringing emergency shelters up to local building codes, improving amenities, and increasing the numbers of homeless persons who can be served. Although ADECA funds are typically allocated nearly six months after the ESG entitlement funds become available to the cities of Birmingham and Montgomery, this twice-per-year process ensures that the local community development agency staffs attend to identifying and addressing the most pressing needs for each round of ESG funds. As long as Alabama continues to focus most of its emergency shelter development and improvement in the urban areas, the use of recipients is probably the best way to ensure a coordinated local effort.

On the other hand, ADECA should conduct a study of the needs for emergency shelter and other homeless services in the more rural areas of the state. As the Alabama CHAS

---

[21] These reporting requirements are set by the grantee and recipient agencies rather than the ESG Program.

indicates, this is no simple task. "The problem of counting a population that is not located in a well-defined area and, in many cases, does not want to be found, represents only one of the challenges in enumerating the homeless."[22] If ADECA determines that the needs of some of these areas are as pressing as in the entitlement areas, it will have to assume more responsibility for administration of the ESG until the capable outlying service providers are identified and assisted to compete for ESG funding. In the opinion of the site visitor, Alabama is barely scratching the surface of the needs for emergency shelter statewide. Without additional ESG funding, however, and a deliberate effort to assess the situation in the rural areas, this issue will remain unaddressed.

[22] *State of Alabama CHAS*, p. 68.

CHAPTER 2

EMERGENCY SHELTER GRANTS PROGRAM EVALUATION

SITE PROFILE: STATE OF CALIFORNIA

2.1 Site Overview

The state of California, located on the Pacific coast, encompasses 158,693 square miles and is the third largest state in the U.S. With over 30.35 million residents (in 1991), it has also been the most populous state in the country since 1964.[1] It is divided into 26 non-metropolitan and 32 metropolitan counties. Of California's 10.38 million households, 44.4 percent were renters in 1990, and 19.6 percent of these renters were living in overcrowded conditions.[2] Forty-one percent of these households were considered very low or other lower income (24 percent and 17 percent, respectively).[3]

The California economy has suffered during the current recession and has not yet begun to recover; at the end of 1992, the unemployment rate in the state was 10.1 percent. High unemployment and an eroding tax base have placed the state in serious financial condition. Twice during the past year, state workers were paid in scrip, a practice that the courts have refused to support. Currently, California has 120,000 unfilled state positions and no money for travel by state employees.

Homelessness is a widespread problem throughout California, affecting residents of both urban and rural areas. However, estimates of the numbers of homeless vary considerably. The latest CHAS published several numbers. In one place, the CHAS states: "[t]he State has estimated that there are between 50,000 and 75,000 homeless persons in California."[4] In another place, it states: "[t]here are no accurate figures for the number of homeless on a statewide basis, and few for any local areas. Crude estimates of the number of homeless persons

---

[1] *State of California Comprehensive Housing Affordability Strategy (CHAS), Federal Fiscal Years 1992 through 1996.* California Department of Housing and Community Development, p. 119.

[2] *Ibid.*, pp. 119, 138.

[3] Ibid., p. 124. "Very low-income" means between 50 percent of median income. "Other lower income" means between 50 and 80 percent of median income.

[4] *Ibid.*, p. 60.

on a given day range from one-half to one percent of the population or 150,000 to 300,000 persons."[5] The CHAS also notes that "[t]he 1990 U.S. Census counted 30,806 persons in emergency shelters for the homeless' and 18,081 'visible in the street locations.'"[6,7]

The size of California's homeless population varies seasonally, because of the substantial number of migrant workers who are out-of-work in the winter and need emergency shelter. This is particularly true in the rural areas. Although most of the migrant workers are Hispanic (primarily Mexican), in some areas[8] a substantial influx of Jamaicans (many with very large families) has pushed out the Mexicans. The situation of the seasonal worker has been further exacerbated by the prolonged drought in California, which is reducing the number of agricultural jobs. As a result, many are now living in ravines and under bridges.

There are many sub-populations of homeless in California. Although single men were first recognized as a significant group, there is a growing recognition that the problem also affects low-income seniors, families, victims of domestic violence, runaway children and throwaway youth, in addition to those disabled by mental illness, substance abuse, or AIDS. In general, there are more homeless single men than any other sub-population of the homeless. Women with children constitute the largest proportion of families, followed by couples with and without children, and finally men with children.[9]

To examine the Emergency Shelter Grant Program (ESG) as administered by the state of California, the following offices were visited in the Central Valley of California:[10]

- California Department of Housing and Community Development (the grantee agency) in Sacramento;

---

[5] *Ibid.*, p.148.

[6] *Ibid.*, p.148.

[7] In the opinion of the site visitor, we are more likely to believe the middle and largest estimate, especially given the substantial increases that have been observed in the past two years.

[8] This was mentioned in regard to Yuba/Sutter Counties. While the "normal" unemployment rate in the area is 13 percent, during the winter, it rises to 21 percent.

[9] *California CHAS*, pp. 148-149.

[10] See also the site profile for the city of San Francisco. That report provides additional information about the use of ESG funds in California, although not through the state's entitlement.

- The Depot (ESG-funded provider) in Mansville;
- Kings Community Action Agency (ESG-funded provider) in Hanford;
- San Benito County Community Action Agency (ESG-funded provider) in Hollister;
- Tri-City Homeless Coalition in Freemont; and
- Santa Clara Family Living Center (ESG-funded provider in San Jose).

2.2 Program Description

Since 1982, California has funded its own Emergency Shelter Grant Program. To support this program, the state passed two bond issues (in 1988) and established a $35 million fund. Between 1987 and 1991, the state spent $20,226,052 from the fund on emergency shelter support. Currently, with the bond fund nearly depleted, only $2 million could be spent state-wide in 1992, and less is expected for 1993.

California has a very large shelter system. The Directory of Services for Homeless People in California lists 364 night shelters as of 1991 apart from day programs, sources for vouchers, and other services providers.[11] In addition, there are a number of statewide programs that provide services to various types of homeless persons:

- Families served by AFDC Homeless Assistance. Begun in 1988 this program provides 90,000 AFDC-eligible families per year with up to 16 nights of temporary shelter at $30 per night. When the family finds permanent housing, AFDC will assist with move-in costs. The program is run by the counties' human services or welfare departments.
- Mentally Ill Persons served by Community Support System. Because of recent state budget cuts, California no longer mandates nor funds services to the homeless mentally ill. Only federal funds from the Stewart B. McKinney Act continue to fund this program.
- Homeless in General served by Cold Weather Shelters. Since December of 1987, whenever the temperature drops below 40 degrees or, in case of rain, below 50 degrees, the National Guard armories are opened to the homeless in counties that agree to provide the beds, bedding, transportation, and supervision.

---

[11] *Directory of Services for Homeless People in California, 1991.* California Homeless and Housing Coalition, pp. 1-22. Unfortunately, this directory provides no indication of the sizes of these shelters.

- Homeless Children served by Educational Facilities. Although all children have a right to public education, in some counties, Stewart B. McKinney Act funding is being used for shelter-site tutoring or schools, or making arrangements to send the children to public schools.
- Additional Services served by Food Closets, Housing Referral, Homelessness Prevention. These resources are available in many of California's cities and counties.[12]

Exhibit 2.1 shows a comparison of the providers visited, on several dimensions: location, type of setting, percentage of housing units needing rehabilitaton or replacement, and type of facility. Exhibit 2.2 contains further information on these organizations and their participation in the ESG Program.

The Depot, located in Marysville in an old railroad depot, primarily serves homeless families in Yuba and Sutter Counties. As the only family shelter in the area, it faces several challenges. Sutter County has the second highest unemployment rate in California, as much as 21 percent in the winter when the orchards are not employing migrant workers. Yuba County has the highest AFDC rate per capita in California, the highest rate of child abuse, and one in three residents living below the poverty level. In addition to the socioeconomic problems of the area, the Loma Prieta earthquake added more. Yuba and Sutter Counties used to be a very cheap place to live. Now rents have increased, as people moved from San Francisco, displacing people from Sacramento, who in turn displaced people from Marysville, (40 miles north).

In July 1990, the Salvation Army set up a separate nonprofit agency and assumed responsibility for the renovation of the Depot, using ESG funding. Previously, the Depot was operated by Pathways as Mid Valley Recovery Services, a treatment facility for substance abusers. The facility opened in November 1990, even though the renovation continued for another six months. The objectives of the renovation were to turn seven rooms into 13 (expanding the bed capacity from 30 to 60); add two handicapped accessible bathrooms, office space, new kitchen and dining hall; and bring the building up to local building codes.

The Depot primarily serves families with children. About 60 percent of its clients are two-parent families, 35 percent are single-parent, and five percent are single females. Families are allowed to stay for up to three months, as long as they are making progress on finding

[12] *Ibid.*, p. ii.

Exhibit 2.1
Comparison of Providers Visited in the State of California

Agency Name	Location	Type of Setting	Percent Local Housing Units Needing Rehabilitation or Replacement: 1991	Facility Type
The Depot	Marysville: 40 miles north of Sacramento	Rural--19,277 households in service area: Sutter and Yuba Counties	20	24-hour shelter for families with children and single women; a few services on-site
Kings Community Action Agency	Hanford: 325 miles southeast of Sacramento; 40 miles south of Fresno	Rural--12,682 households in Kings County	28	6 transitional houses for families with children and single men; services off-site
San Benito County Community Action Agency	Hollister: 140 miles northwest of Fresno; 35 miles southeast of San Jose	Rural--4,644 household in San Benito County	21	12 mobile homes for families with children; services off site
Tri-City Homeless Coalition	Freemont: 18 miles north of San Jose	Urban--212,348 households in Alameda County	13	Multi-service center during day; off-site night shelter set up daily in two churches (sites change every 30 days)
Santa Clara Family Living Center	San Jose: 44 miles southeast of San Francisco	Urban--167,381 households in Santa Clara County	8	24-hour shelter with multi-service center on-site

Exhibit 2.2

Emergency Shelter Grants Program
Characteristics of State of California Providers

Provider Characteristics	Selected Providers in California				
	Salvation Army Depot Shelter, Marysville	**Transition House: Kings Community Action Agency, Hanford**	**Southside Mobile Home Shelter: San Benito County Community Action Agency, Hollister**	**Tri-City Homeless Coalition Shelter, Fremont**	**Santa Clara Family Living Center, San Jose**
Type of Organization	Non-profit	Local Government	Local Government	Non-profit	Non-profit
Year Begun	1990	1966	1991	1984	1981
Year Began Serving the Homeless	1990	1984	1991	1986	1989
Populations Served	Homeless families and single women	Homeless persons, mostly families	Homeless families	Homeless families and homeless adults without children	Homeless families
History of ESG Funding FFY 87S FFY 88 FFY 89 FFY 90 FFY 91	$175,300	$147,671	$90,250	$112,427	$200,000
ESG-Supported Activities	Renovation ($150,000), operations ($25,300)	Renovation ($4001), operations (91,678 for maintenance, equipment, and utilities), essential services ($44,300), homelessness prevention ($4,000), administration ($3692)	Operations ($46,729 for rent) and essential services ($17,006 for case management)	Renovation ($25,000), operations ($58,107 for insurance, supplies, utilities and maintenance), essential services ($28,520 for case management)	Operations ($140,439 for security, repairs, maintenance, insurance) and essential services ($59,678 for two case managers)
Other Activities Serving the Homeless	24-hour shelter	Transitional housing	Transitional housing		Transitional housing

Exhibit 2.2, continued

Provider Characteristics	Selected Providers in California				
	Salvation Army Depot Shelter, Marysville	Transition House: Kings Community Action Agency, Hanford	Southside Mobile Home Shelter: San Benito County Community Action Agency, Hollister	Tri-City Homeless Coalition Shelter, Fremont	Santa Clara Family Living Center, San Jose
Total FY 91 Budget[1] and Percent from ESG	$125,000 capital and $100,000 operating 100.0% capital 15.0% operating	$136,271 capital and $154,656 operating 98.5% capital 8.2% operating	$124,925[2] 51.0%	$25,000 capital and $414,616 operating 100.0% capital 21.0% operating	$424,408 47.1%

[1] Cash budget for homeless activities, for the year in which FFY 91 ESG funding was received.

[2] Budget figure includes in-kind contributions.

employment and stable housing as well as contributing to a savings account. This money is used to pay creditors, get rid of housing debts (utilities, past due rents), and provide a small amount for spending money (e.g., $20-30/family for two weeks). Clients can save their food stamps for use when they move out.

The Depot received a $200,000 allocation of ESG funds from the state for the renovation. After one year, $135,000 had been expended. The Salvation Army turned back $50,000 to the state and received permission to use the remaining $15,000 for operations. The Depot has an operating budget of $100,000 per year[13] with only two paid staff. Still, they offer a program that includes referrals to the Job Development and Training Department (JDTD) for job training, education, and supportive services; on-site parenting classes; budgeting counseling; and case management. Ultimately, the most difficult obstacle for these homeless families to overcome is finding a job that pays enough to support the family in its own housing.

Kings Community Action Agency **(KCAA)** is located in Hanford, a fairly rural area where the number of homeless persons has increased recently with the opening of two prisons. While the prisons have added jobs to the local economy, they have also been a magnet for the families of the prisoners who come and cannot find housing. Founded in 1966, KCAA opened a shelter for victims of domestic abuse eight years ago. In FFY 91,[14] using ESG funding, KCAA was able to add six transitional houses for homeless persons.[15] [16] KCAA uses the largest homes for big families and one 6-bed house for single men. They are normally full and the agency is constantly turning people away. The services offered to the families living in the shelter include health care, food, nutritional services (e.g., WIC), and day care. The transitional shelter, while not having a formal curfew, does have rules (no drinking, smoking, partying or drugs) and requires a maintenance fee of 30 percent (or sometimes less) of gross income from those occupying the houses.

---

[13] When asked how they manage to operate a 60-bed facility on $100,000 per year, they said "We live on a lot of prayer!"

[14] The fiscal years pertaining to federal allocations of ESG funding are labelled FFY (Federal Fiscal Year), to distinguish from the fiscal years of the agencies receiving ESG grants.

[15] In two of the houses, they do not permit children under seven (due to lead paint). Sometimes they use the houses for mixed groups, e.g., one house is currently being used to house single men.

[16] This scattered site shelter (in six transitional houses) has a total of 39 beds ranging from 10 beds down to two.

From the FFY 91 allocation of ESG funding, KCCA supported the following activities: $4,001 for renovations of the transitional houses; $91,678 for operations; 4,000 for homelessness prevention; $44,300 for essential services (case management); and $3,692 for administration all over a 24-month period. With a total operating budget of $154,656 per year (for two years)[17] and a capital budget of $136,271, the ESG funding represents 46.4 percent of the operating budget and 2.9 percent of the capital budget. (California's State Emergency Shelter Program funded most of the capital budget).

San Benito County Community Action Agency located in Holister, is another rural area in central California. KCAA has adopted a similar strategy for addressing the problems of the homeless in the area. This county too, has many seasonal workers and have recently suffered the loss of a major company in the area, a cannery that employed 650 workers. The other factor affecting many local families is an immigration ruling. In order to apply for amnesty in 1986, an undocumented worker had to sign an agreement not to apply for general assistance or AFDC for five years. With the continuing decline in the economy of California and lacking these benefits, many of the local families are not able to remain in stable housing.

The Community Action Agency (CAA), formed in 1984, began serving homeless families in 1986 using a migrant camp. While occupied by migrant workers during part of the year, the camp could accommodate ten families during the five months when it was not fully occupied. Following the October 1989 earthquake, FEMA developed a large trailer park (40 to 50 trailers) adjacent to the migrant camp, including all of the infrastructure needed to support this type of emergency housing development. When the FEMA commitment expired in 1991, most of the trailers were removed, but the infrastructure (platforms, access to water, electricity and sewer systems, play yards, and security) remained. The remaining 12 trailers were donated to the county to use for emergency shelter for families, and they are now operated by CAA. At present, the CAA still operates 10 units in the migrant camp for family emergency shelter with a maximum stay of 30 days, although families living in the trailers may stay for up to six months while working with a case manager to alleviate their housing and employment problems. Other social services, remedial education and job training, are also available to the clients at both the CAA facilities.

---

[17] California allocates the ESG funding to most providers every other year.

To support the operating costs of the Mobile Home Shelter, the county used $63,735 of the $90,250 ESG grant allocated by the state in FFY 91. The shelter's total cash operating budget for the year was $124,925, of which the ESG portion spent was 51.0 percent. The ESG funds were used for rental of the trailer platforms and case management for the clients. The county also received some CDBG funding and in-kind contributions for support of the shelters.

Founded in 1989, the ***Tri-City Homeless Coalition (TCHC)*** operates a broad range of services for the homeless in Fremont, a fairly "uppity suburban neighborhood that is in denial regarding the poor in the area."[18] In addition to a shelter serving an average of 47 persons per night (27 beds for families with children and 20 beds for adults without children), the TCHC runs a multi-service center during the day that offers a full complement of services for the homeless. The services include: case management, job counseling and placement, financial management training, home-seeking assistance, three meals per day, structured shelter, child care assistance, laundry facilities, showers, phone and mail service, storage space, and transportation assistance. The population served by TCHC is 60 percent women and children. Sixty-nine percent of the children served are under the age of six, and 43 percent are three or younger. Clients can remain in the program up to 120 days, but the average length of stay is 24 days per client.

The TCHC presently operates two shelters in churches that provide space on a thirty-day basis. By March 1993, the TCHC will move into a permanent $2.8 million facility that will accommodate 66 clients per night (36 beds for families and 60 beds for adults without children). The building will have 17,343 square feet of space, including over 10,000 square feet of common area.

The current operating budget for TCHC is $414,616 of which 21 percent was ESG funds. Of this, $58,107 (14 percent) was used for insurance, supplies, utilities, and maintenance; $28,520 (6.9 percent) supported case management; and $25,000 (approximately one percent of the capital budget) was used for renovations in the current multi-service center. In addition to a staff of 15, volunteers from various community organizations contributed 24,960 hours of service over the last year, primarily serving meals.

The ***Santa Clara Family Living Center***, located on the grounds of a former mental hospital in San Jose, is one of the facilities operated by the Emergency Housing Consortium

[18] *According to one local official.*

(EHC), an organization incorporated in 1981 to serve the area's homeless people. The EHC is the largest shelter and services provider in California: its total bed capacity is 1,250, in nine sites, offering shelter and services to 6,000 homeless persons per year. Three sites are Army National Guard facilities (500 beds). EHC also operates four winter programs with 350 beds for families and migrant workers. On another site, EHC has four facilities -- two short-time shelters for families, one short-time shelter for singles, and one facility that serves severely mentally ill clients and substance abusers. The remaining sites are two transitional housing facilities and a drop-in center for youth.

The Family Living Center has 150 beds and serves between 33 and 35 one- and two-parent families for up to 90 days. Each client is assigned a case manager after an intake interview. With the exception of some counseling and treatment, most of the services are offered on-site, including Alcoholics Anonymous, Narcotics Anonymous, and a variety of workshops on topics ranging from nutrition to stress management. For two-parent families, the husband is encouraged to find a job or get job training. Single mothers are expected to save their AFDC payments so they will have some money when they leave. Some of the families move into one of the transitional housing facilities operated by the EHC. The total operating budget for the EHC is $3.5 million, of which $424,408 is used to operate the Family Living Center. ESG funds, amounting to 47.1 percent of this budget, were used in FFY for operations ($140,439 for security, repairs, maintenance, and insurance) and essential services ($59,678 for two case managers).

2.3 Implementation

The state of California received its first ESG funding with the FFY 87 allocation, following California's Emergency Shelter Program by five years. Although the federal ESG[19] Program has always been managed by California's Department of Housing and Community Development, it has had many "homes" within the Department and a succession of managers. Contributing to much confusion among the funded providers, in 1987 and 1988, ESG was paired with the CDBG program for administration. Next it was paired with the Rental Rehab Program in 1989. In 1990-1991, the ESG was paired with the California's State ESG Program. Then, as California's ESG bond money became depleted, the state reduced the ESG staff by half. The

[19] Henceforth called ESG, although called FESG (Federal ESG) in California.

effect was felt by all funded providers; no longer could they depend on any of the state administrators to assist with various issues. In May 1992, HUD sent a negative letter indicating that California was not adequately monitoring the federal ESG. As a result, an experienced state administrator was assigned the responsibility for the ESG, and the program has now been moved to a new unit that manages all federal grants, including SAFAH, Transitional Housing Program, housing for the handicapped, permanent housing for the handicapped program, and the Housing Opportunities Program for People with Aids (HOPWA).

The State of California has a Working Group on Homeless which has met bi-monthly since 1985 to coordinate services to the homeless. The Working Group includes representatives from:

- the state's Health and Welfare Agency;
- the Departments of Economic Opportunity, Mental Health, Housing and Community Development, Employment Development, Education, Social Services, Aging, and Veterans Affairs;
- Senate and Assembly Committees;
- County and city governments;
- Major private nonprofit organizations, private industry and;
- Federal homeless funding agencies e.g., (HHS, HUD, VA and DoEd).

California has not sought to devise a long-term strategy for the ESG funds. Instead, the state administrators have tried to support local efforts. As shown in Exhibit 2.3, when the ESG funds first became available, the majority of the funding was used for capital programs. Beginning in FY 88, however, the balance shifted, and most of the ESG funding since then has been used for operations and essential services (especially for case management).

Exhibit 2.3 also indicates the sources of matching funds for the five homeless services providers visited in the state of California. The primary sources of matching funding include the purchase price of the Depot, CDBG funding, and in-kind county contribution for San Benito County, county and city allocations for King's County and Tri-City Coalition, and United Way for Santa Clara Family Living Center.

Exhibit 2.3
ESG Funding History and Match Sources:
State of California

		C/R/R	OPS	ES	HP	AD	TOTAL
History of ESG Funding	FFY 87	$428,788	$135,186	$ 74,026	N/A	N/A	$638,000
	FFY 87S	$719,162	$482,731	$153,107	N/A	N/A	$1,355,000
	FFY 88	$ 79,650	$135,764	$ 26,586	N/A	N/A	$241,000
	FFY 89	$258,234	$875,801	$220,965	$ 0	N/A	$1,355,000
	FFY 90	$140,932	$1,301,084	$241,586	0	N/A	$1,683,602
	FFY 91	$ 54,650	$692,570	$279,924	0	$ 0	$1,027,144
Percent Distribution of Funds Over Time	FFY 87	67.2	21.2	11.6	N/A	N/A	100
	FFY 87S	53.1	35.6	11.3	N/A	N/A	100
	FFY 88	33.0	55.9	11.0	N/A	N/A	100
	FFY 89	19.1	64.6	16.3	0%	N/A	100
	FFY 90	8.4	77.3	14.3	0	N/A	100
	FFY 91	5.3	67.4	27.3	0		100

	PROVIDER/ACTIVITY		SOURCE	LEVEL
Matching Funds for ESG Allocations for FFY 91	The Depot	C/R/R, OPS	Purchase price of the building	Provider
	Kings Co.	C/R/R, OPS, ES, HP	County and city funding (approximately $24,000) plus volunteer hours	Provider
	San Benito Co.	OPS, ES	CDBG ($8,000) and in-kind space rental ($750/month) for the trailers, including utilities and maintenance	Provider
	Tri-City	C/R/R, OPS, ES	County funds	Provider
	Family Living Ctr.	OPS, ES, HP	Santa Clara County United Way	Provider

KEY: C/R/R=conversion, renovation, rehabilitation OPS=shelter operations ES=essential services
HP=homelessness prevention AD=administration
N/A=Not Applicable—HP not separate from ES until FFY 89; AD not eligible activity until FFY 91.

There are continuing needs for additional emergency shelter beds and services in California. The largest group of homeless persons in the state, single men, are especially underserved.[20] Many of the initiatives funded by ESG are for shelters for families, but they, too, are still not well-served. According to the California CHAS, the state's goal is to promote self-sufficiency and provide for transitional and permanent housing for the homeless. California's strategy for reaching this goal is to support locally initiated efforts.

According to the following indications, the service areas of the five selected homeless services providers are all underserved. The shelters are running at maximum capacity, and the waiting time for placement is long (as much as three months for an emergency shelter). The ramifications of these needs affect both the homeless population and the service provider staff trying to meet as many of the needs of the homeless population as possible. For some shelter providers, the needs are simple--for example, transportation vouchers for public transportation. For other shelters, the need is more complex--for example, more cooperation from the local school system. Despite the additional burden placed on schools near family shelters, cooperation of superintendents and teachers is one of the foundations of a successful preparation for a more stable life for homeless families. The pressures of meeting the needs of the homeless with scarce resources lead to high turnover rates among shelter staff, especially among volunteers and those who do not have the training to address the range of the issues that confront service providers.

Some shelters, even those that provide a wide range of concrete services,[21] recognize other needs of their clients: recreational activities for both adults and children, on-site literacy and ESL tutoring, on-site substance abuse treatment, workshops on parenting and self-esteem, and emergency mental health assistance. At the Tri-City Homeless Coalition's future facility, some new services will include: on-site day care, family counseling (including marriage and family counseling), transitional housing, and medical and dental clinics on-site.

---

[20] *California CHAS, p. 148.*

[21] Such services include food, clothing, shelter. In addition, some shelters offer free laundry, phone answering, mail boxes, and storage.

2.4 Impact

The one distinct strategy that California has chosen for the use of its ESG entitlement funds is to make large allocations, typically in excess of $100,000 (but not to exceed $200,000) every other year. This has meant that, as the state's own emergency shelter funds have become depleted, the federal ESG contribution to the total operating budget of the providers receiving all locations has increased. Among the five providers visited in California, two (the Depot and King's County CAA) received nearly 100 percent of their capital expenditures from ESG; two others (Southside Mobile Home Shelter and the Santa Clara Family Living Center) used ESG to fund approximately half of operating expenses. As a consequence, the impact of the ESG funds on these providers is substantial. The comments of the program directors and their representatives recognize the impacts of the federal funding. One shelter, for example, would not be open without ESG and could not stay open in the future if the funding were ended. For another shelter, the ESG has allowed the agency to expand the services from five months per year to 12. Even the two largest providers visited acknowledge that the ESG funding is important to cover substantial parts of their operations.

These five providers operate at full capacity;[22] in some cases, they are the only service providers within a large geographic region. During FFY 91, the Depot served 39 people in nine families, plus one single woman. With the construction nearing completion, they will operate at greater capacity in the future. The transition houses in King's County served 221 families (168 homeless persons and 53 victims of domestic violence) in FY 91. The average number of shelter days there was 72 per client. During the same time, the Southside Mobile Home Shelter had 25 families exit the program; 70 percent of them found permanent housing. The Mobile Home Shelter has made a commitment to the state to provide 16,800 shelter nights per year. By the end of 10.5 months, they had already provided 15,487 shelter nights to the homeless in the area. Another shelter operated by the Tri-City Homeless Coalition provided a total of 16,910 shelter nights, averaging 46.3 beds per night. Because two of the larger churches in the area were under construction and could not be used for shelters, their capacity during FFY 91 was reduced by 1,961 bed nights. The Santa Clara Family Center ran at capacity, approximately 150 beds per night, throughout FFY 91. Upon exiting their program,

[22] For some of the providers, full capacity was limited by the number of beds available during construction, or in the building they were using for a shelter.

70 percent of that agency's clients remained in permanent housing, according to their 30-, 60-, and 90-day follow-up contacts.

A final observation is that the two community action agencies visited in California have developed very cost-effective strategies for providing emergency shelter and supportive services to their clients by obtaining the transitional housing at essentially no cost. According to the program managers, more houses/trailers could be opened if funds were available to operate them (both operations funding and essential services). The houses are available, in many cases for $1 lease per year, but their agencies do not have the staff to support undertaking the responsibility for many more at the present time.

CHAPTER 3

EMERGENCY SHELTER GRANTS PROGRAM EVALUATION

SITE PROFILE: STATE OF MARYLAND

3.1 Site Overview

Maryland is a diverse state, encompassing large cities and urban counties such as Baltimore City and Montgomery and Prince Georges counties (outside Washington, D.C.,) as well as rural, more sparsely populated counties in the western and southern parts of the state. According to the state's 1992 Emergency Shelter Grants Program (ESG) application, the problem of homelessness is severe and widespread in both urban and rural areas. Not only are there persistently large numbers of individuals and families who are currently homeless, "but many...low-income citizens are at extreme risk of homelessness," even if they are not homeless today.[1]

The most recent data on Maryland's homeless population were published in early 1992 by the state's Department of Human Resources (Homeless Services Program division). Collected from 99 percent of the shelters and providers in the State, the data cover the State Fiscal Year (SFY) 1991 (July 1, 1990 through June 30, 1991). According to the legislatively mandated annual report, the 182 homeless facilities surveyed in Maryland sheltered 42,879 persons in 1991, for a total of 933,948 bednights. These facilities had a total of 3,391 shelter beds. Of these, 2,338 were emergency shelter beds, 857 were transitional beds, and 196 could be used for either. In addition, a freezing weather plan was implemented in all 24 jurisdictions during 1991, creating an additional 447 part-year beds.[2]

While the number of persons served actually dropped by about 4,300 between 1989 and 1991, the number of bednights increased by 20 percent. This is explained by an increased length of stay in shelters: in 1991, the average length of stay at emergency shelters was 27 days (no

---

[1] *State of Maryland FY 1992 Emergency Shelter Grants Program Application*, Maryland Department of Housing and Community Development (undated), p.1.

[2] *State of Maryland 's Comprehensive Housing Affordability Strategy (CHAS) 1993 Annual Plan*, Draft, November 6, 1992, p. 17.

comparison data on bednights are available prior to 1991). Six jurisdictions out of the 24 surveyed reported a 50 percent or greater increase in the number of bednights since 1989.[3] The drop in persons served may be accounted for by several factors: the number of persons sheltered in motels has fallen significantly since 1989, as this option was dropped by several jurisdictions because of expense or lack of availability; the recent statistics may represent a more accurate unduplicated count by the service providers; and/or as people stay longer in shelters, they are preventing others who are also in need from entering shelters and being counted as homeless.

Demographic characteristics showed diversity among the homeless population served by Maryland shelters in 1991. Families represented 43 percent of those served, and the population was generally young: 29 percent of the persons sheltered were under 18 years of age, 56 percent were under 30 years of age, and 97 percent were under 60 years of age. Women represented 36 percent of the adults served, and men represented 64 percent. The proportion of persons sheltered who were white was 34 percent, while minorities were 66 percent. These demographic characteristics changed little from 1989.[4]

Statewide, the 1993 Annual Comprehensive Housing Affordability Strategy (CHAS) indicates that homelessness in Maryland is attributed to the lack of affordable housing, poverty, and to a significant number of persons with mental illness or substance abuse problems. During interviews conducted for this evaluation, state officials added a new concern: that of the "hidden homeless." They believe there are significant numbers of individuals and families who are doubled- and tripled-up with friends and relatives, but individuals who are very close to being homeless themselves. These people, as well as "street" people (those unable or unwilling to access shelters) are not able to get to shelters, and are not counted in the official homeless census. Further, a Charles County official recounted that, in her county, there are "hundreds of single men who hide along empty country roads in abandoned cars and unused barns, or who stay for a few nights in motels with what little they've earned from an odd job here or there."

---

[3] *1991 Data Collection and Analysis*, Maryland Department of Human Resources, Community Services Administration, Homeless Services Program, February 1992, pp. 5-7.

[4] *Ibid.*, pp. 8-9.

This official makes it a practice to go out and search for these men on a regular basis, to try to inform them of available services.

Of the twenty-four jurisdictions in Maryland, five (Baltimore City, Baltimore County, Prince Georges County, Montgomery County, and Anne Arundel County) are entitlement communities receiving ESG funds of their own. The state has "elected to give funding priority to jurisdictions which do not receive entitlement funds under this program, [because] ESG funds will have a positive impact on those areas that have significant homelessness relative to community size yet lack the resources that often exist in larger communities."[5] The homeless profile of these jurisdictions varies since they are geographically dispersed across the state; it is described in further detail below for those areas and providers visited.

The entities visited or consulted during the site visit to Maryland for the ESG Evaluation include the following:

- Maryland Department of Housing and Community Development (grantee agency);
- Washington County Homeless Task Force;
- Washington County Community Action Agency (ESG-funded provider);
- Family Crisis Resource Center (former ESG-funded provider);
- Allegany County Human Resource Development Commission (ESG-funded provider); and
- Hughesville Regional Shelter (ESG-funded provider).

In addition, County officials from each jurisdiction in which the ESG-funded providers were located were also invited and attended each meeting.

3.2 Program Description

The ESG in Maryland is administered by the state's Department of Housing and Community Development (DHCD), and the Community Assistance Administration (CAA) is the administering DHCD division. DHCD administers two homeless programs: ESG and the Emergency Community Services Homeless Grant Program (EHP), a Federal McKinney grant program funded by the Federal Department of Health and Human Services. In 1992, CAA

[5] *ESG Application, FY 1992.*

received $240,000 in ESG funds and $344,000 in EHP funds. These funds comprised a relatively small portion of Maryland's overall homeless resources, which included over $3 million in state funds alone plus funds from other federal homeless programs.

While many state agencies have some responsibility for homeless services, three have the major responsibility for assisting homeless people: the DCHD, the Department of Human Resources (DHR), and the Department of Health and Mental Hygiene (DHMH). DHCD has the broadest mandate, since it is responsible for developing affordable housing; however, it administers just two direct homeless services programs, ESG and EHP. DHR, through its Homeless Services Program, administers four state-funded homeless programs plus the federal Supplemental Assistance for Facilities to Assist the Homeless (SAFAH) monies. In comparison with the amount of the state ESG grant ($240,000 in FFY 1992[6]), DHR received $3.2 million from the state in SFY 1992 for emergency and transitional shelter services, plus almost $1 million between 1991 and 1992 for renovation of shelters through the state's Capital Projects Program. A new Eviction Prevention Program administered by DHR, funded for 1993, will distribute $500,000 among local jurisdictions for prevention activities. The state's SAFAH grant in 1992 was $950,000 for a three-year program. The grantee thinks that the various homeless programs administered by the state are fragmented among too many agencies and should all be run from the same agency.

To make ESG funds available to units of local general government, CAA (the grantee's administering unit) conducts a competitive round of funding, with all local governments invited to submit applications. Entitlement jurisdictions may also submit applications, but they are aware that non-entitlement jurisdictions have preference; therefore the five entitlement jurisdictions usually do not submit applications. Local governments are allowed to submit only one application and are limited to a maximum award of $50,000. The local governments in turn issue a Request For Proposal (RFP) to providers in their area, then package the applications from the providers to send to the state. Although the local government units (mostly counties) are technically the recipients of the awards and are responsible for administering and monitoring the use of funds, the state evaluates each provider application separately and makes the selections. The state mandates exactly which providers within the locality actually receive funds,

[6] The fiscal years pertaining to federal allocations of ESG funding are labelled FFY (Federal Fiscal Year), to distinguish from the fiscal years of the agencies receiving ESG grants.

as well as how these funds can be spent. Therefore, in the terminology of this study, the local jurisdictions are *not* recipients, because they do not have decision-making authority over use of ESG funds.

Four provider agencies that received ESG funds from Maryland in 1991 were visited for the ESG Evaluation. These were the ***Washington County Community Action Agency*** (funded through Washington County), the ***Family Crisis Resource Center*** (funded through Allegany County), the ***Allegany County Human Resource Development Commission*** (funded through Allegany County), and the ***Hughesville Regional Shelter*** (funded through Charles County). Exhibit 3.1 contains summary information about each of these four providers. A description of each of the providers' homeless programs and ESG activities, along with the local homeless profile, follows.

Washington County lies in the near western portion of the state. The county is mostly rural, with the exception of Hagerstown, which is the county seat and the only major city. The ***Washington County Community Action Council (CAC)*** is the area's major private service provider for poverty programs and the only ESG-funded provider. The CAC runs two shelters, a six-unit emergency family shelter (which housed 48 households in 1991) and a transitional facility for women with or without children (which provided 17 households with shelter and services). CAC also provides many other services for homeless and low-income clients, such as Head Start, nutrition services, medical transportation, housing information, and home improvement programs. The families CAC sees through their homeless services are young; the average adult age is 29 years, and the average child age is 6 years. The parents of these families never had jobs or were able to start careers because they became parents when they were only teenagers themselves. The families generally are very young couples who started their families when they were teenagers and never had jobs or careers.

Within the past several years, CAC has noted a significant increase in the homeless working poor: people who have jobs but are still not able to afford housing. It is estimated that 80 percent of the union and manufacturing jobs have left the area since the 1980s, further exacerbating poverty in the county and increasing the average length of stay at the shelters. Approximately 80 percent of CAC's clients are from Hagerstown, and 20 percent from outlying areas; this reflects the population distribution in the county and also the fact that lack of transportation in the rural areas makes it difficult to come into Hagerstown to seek services.

Exhibit 3.1

Emergency Shelter Grants Program
Characteristics of State of Maryland Providers

Provider Characteristics	Selected Providers in State of Maryland			
	Washington County Community Action Agency, Hagerstown	Allegany County Human Resources Development Commission, Cumberland	Hughesville Regional Shelter, Hughesville	Family Crisis Resource Center, Cumberland
Type of Organization	Private, Non-profit	Private, Non-profit	Private, Non-profit	Private, Non-profit
Year Begun	1965	1965	1989	1978
Year Began Serving the Homeless	1965	1987	1989	1978
Populations Served	Persons in poverty	Persons in poverty	Homeless women with or without children	Domestic violence and abuse victims
History of ESG Funding				
FFY 87	$ 7,800	$ 0	$ 0	$ 0
FFY 87S	0	0	0	0
FFY 88	0	0	0	0
FFY 89	43,000	22,045	18,365	0
FFY 90	24,760	20,000	27,100	0
FFY 91	32,000	20,050	29,640	6,467
ESG-Supported Activities	Operations; Essential Services; Homelessness Prevention	Operations, Homelessness Prevention	Operations	Construction/Rehab

Exhibit 3.1, continued

Provider Characteristics	Selected Providers in State of Maryland			
	Washington County Community Action Agency, Hagerstown	Allegany County Human Resources Development Commission, Cumberland	Hughesville Regional Shelter, Hughesville	Family Crisis Resource Center, Cumberland
Other Activities Serving the Homeless	Shelter rehab and acquisition	Essential services; Shelter rehab.	Education, GED equivalent, job training	Counseling, job training
Total FY 91 Budget[1] and Percent from ESG	$182,229 18%	$126,000 16%	$212,000 14%	$275,000 2%

[1] Cash budget for homeless activities, for the year in which FFY 91 ESG funding was received.

CAC has been in existence for 27 years; its overall budget in 1991 was almost $4 million. ESG funds of $32,000 in 1991 were used for rent to keep the shelter open, essential services (childcare), and for homeless prevention (eviction prevention). The total budget for both homeless shelters was approximately $180,000 in 1991, of which ESG comprised almost 18 percent. State grants provided an additional 50 percent of the shelters' funds in 1991, with the remainder provided through other federal homeless programs, county grants, and private donations.

Two providers, the ***Family Crisis Resource Center (FCRC)*** and the ***Allegany County Human Resources Development Commission (HRDC)***, were visited in Allegany County, which is in the far western portion of the state of Maryland. The total population of the county in 1990 was about 75,000, a drop of seven percent since 1980.[7] The major city is Cumberland, where about 70 percent of the County's residents reside and where both these providers are located. As the Cumberland 1992 CHAS notes, "Because the City of Cumberland is a very old city, and because it has generations of families remaining in this area, a lot of its homeless are not noticeable. Cumberland has very few homeless people who actually live on the streets." Many homeless "find shelter through private resources rather than public ones . . . so one must remember that there is a large portion of potential homeless that are resourceful enough to stay one step away from being counted." Providers say that they have seen an increase over the past several years in homeless families who either are currently working or who have been employed in the past. Many of these families, once able to provide homes for their families in the past, contain parents who have lost their jobs and housing in recent years.

The Allegany County statistics from the CHAS indicate that 2,733 workers were dislocated because of 17 major plant closings throughout the county between 1982 and 1991, without a concurrent growth in new jobs. The service and retail sectors have also suffered, as disposable income has fallen due to job loss. Recently, for example, the Allegany HRDC placed in a shelter a family that had successfully operated a bakery in Cumberland for over 30 years; the bakery was forced to close due to lack of business, and the family could no longer pay their home mortgage. The county does not keep separate statistics on homeless with special needs, but it estimates that, of the 300 persons who receive drug abuse treatment and the 8,000

[7] *Final Report, ESG-BOS-01, Allegheny County* (for FY 1991), November 12, 1992.

individuals who receive alcohol abuse treatment, a high proportion are probably impoverished and are receiving or are in need of housing assistance.

The Human Resources Development Commission, founded in the mid-1960s is Allegany County's major community action agency. The agency runs 17 different programs for people living in poverty, of which homeless services is just one program. Started in 1987, the homeless program had a budget in 1991 of approximately $126,000, of which $92,000 went toward the transitional shelter for women with children. The total agency operating budget, including all services, is close to $5 million.

HRDC used its ESG grant of $25,090 in 1991 primarily for operation of the 14-bed transitional shelter, which served 63 households and 126 individuals in that year. Approximately $16,000 of the grant was used for operations of the shelter, $3,450 to provide essential services, and $500 for administration. This represented roughly 27 percent of the shelter budget and 16 percent of the overall homeless services budget.

The ***Family Crisis Resource Center (FCRC)*** in Cumberland was founded in 1978 and operates a service program exclusively for battered women, whether single or with children. They have no admission requirements and help any woman who needs assistance, regardless of income. FCRC operates a rape crisis center, an extensive counseling program for women, a program for men who are batterers, and an 11-bed emergency shelter for battered women with or without children. FCRC received ESG funds in the amount of $6,467 in FFY 1991 only, which they used to provide new cabinets, countertops, sinks, appliances, and fixtures in the kitchen of their shelter facility. FCRC's annual budget has remained at about $300,000 for the past several years, including FY 1991. The organization's major sources of income are the HRDC (52 percent), the Federal Victims of Crime Program (20 percent), and the county (11 percent).

The ***Hughesville Regional Shelter (HRS)***, the fourth provider visited, is located in Charles County in the southern part of Maryland. HRS is an emergency shelter with 32 beds for single women or women with children. Operated by Catholic Charities, HRS is the only shelter in the entire tri-county area of Charles, St. Mary's, and Calvert counties. Only 19 percent of their clients are married, and 40 percent are single with children. Almost 20 percent of the clients are victims of domestic violence, while 32 percent have been evicted from their current housing and 47 percent have been put out by the family or friends with whom they were living. Their clients are about 53 percent African-American and 47 percent white. Provider and county officials feel there are a number of homeless men in the county not currently being served. When a church group started an emergency overnight shelter in a local church last year during the freezing weather, over one hundred men showed up. Local officials had no idea there were this many homeless men in the area; they now believe there are many men staying in abandoned shacks or cars throughout the tri-county area. Lack of public transportation is also a major factor affecting the homeless; it is virtually impossible to get to a job interview or to the various county offices to apply for benefits without a car.

HRS received $29,640 in 1991 ESG funds, the bulk of which was used for operating the shelter, primarily to pay utility bills. The agency also used a portion ($8,700) for essential services, specifically so that mothers in the shelter could have childcare while they were receiving job training or interviewing for jobs. The overall budget for HRS was approximately $212,000 in 1991, of which their ESG grant of $29,640 comprised about 14 percent.

3.3 Implementation

Maryland first received an Emergency Shelter Grants Program allocation in FFY 87, the first year of the program. Exhibit 3.2 shows the yearly amounts received. During the first two years of the program, ESG funds were used for renovation and conversion as well as operations, with a small amount for essential services. Since 1989, spending has shifted entirely to operating expenses and essential services. State officials interviewed attribute this to the fact that "using ESG funds for renovation and rehabilitation has not been successful, because of the environmental review regulations." They now avoid using ESG funds for rehab, because according to state officials, the environmental review process is too cumbersome for local governments to undertake.

DHCD sends an RFP for the ESG funds to each of the 24 jurisdictions in the state, receiving applications back from about 17 each year. (The five entitlement jurisdictions are aware that they do not receive preference and usually do not submit applications.) Providers in turn receive RFPs from the local jurisdictions which package their applications and return them to DHCD. The maximum grant award for each jurisdiction is $50,000. The allocation of funds among eligible activities is determined by the needs indicated in the provider applications each year. Maryland spends up to the limit for essential social services, if possible, and the grantee

Exhibit 3.2
ESG Funding History and Match Sources:
State of Maryland

		C/R/R	OPS	ES	HP	AD	TOTAL
History of ESG Funding	FFY 87	$30,630	$48,662	$ 4,708	N/A	N/A	$ 84,000
	FFY 87S	48,000	98,458	16,542	N/A	N/A	163,000
	FFY 88	12,261	10,000	2,739	N/A	N/A	25,000
	FFY 89	0	125,550	25,450	$ 0	N/A	151,000
	FFY 90	0	192,000	48,000	0	N/A	240,000
	FFY 91	22,567	129,958	56,582	17,943	$11,950	239,000
Percent Distribution of Funds Over Time	FFY 87	36%	58%	6%	N/A	N/A	100%
	FFY 87S	29	61	10	N/A	N/A	100
	FFY 88	49	40	11	N/A	N/A	100
	FFY 89	0	83	17	0%	N/A	100
	FFY 90	0	80	20	0	N/A	100
	FFY 91	9	54	24	8	5%	100
	PROVIDER/ACTIVITY		**SOURCE**				**LEVEL**
Matching Funds for ESG Allocations	HROC	OPS/HP	State; County				Provider
	HRS	OPS	State; Catholic Charities				Provider
	CAC	OPS/ES/HP	State; County; Community				Provider
	FRC	C/R/R	County				Provider

KEY:
C/R/R=conversion, renovation, rehabilitation OPS=shelter operations ES=essential services
HP=homelessness prevention AD=administration HRS=Hughesville Regional Shelter
FRC=Family Crisis Resource Center HROC=Allegheny County Human Resources Development Commission
CAC=Washington County Community Action Agency
N/A=Not Applicable—HP not separate from ES until FFY 89; AD not eligible activity until FFY 91.

informed its applicants when the limit was raised in 1991. However, the state has not applied for a waiver of the limit.

There are several levels of review for the competitive funding process at the state level, with the final award decision made by the Governor of Maryland. Upon receipt of the applications, a three-person committee made up of a DHR Homeless Services Program representative, a DHCD representative, and the ESG coordinator ranks the applications. The committee then sends the funding recommendations to the CAA Director, who recommends the funding decisions to the state Secretary of Housing. The Housing Secretary's final recommendations go to the Governor for final approval of ESG funding. The recommendations may change at any level in the process; the Governor does retain the right to change the awardees or the amount of the awards in the final decision-making process.

All funded providers are monitored at least annually by the state. Originally, Maryland did not have a formal monitoring system for ESG, but it put one in place in response to a 1990 audit which showed that the local jurisdictions were not always administering the program properly. The annual monitoring visit is conducted by a member of the CAA office, and it may occur during or after the grant period. Two weeks' notice is given, and the notice includes a copy of the monitoring report form that will be used during the on-site visit. The monitoring visits include both the local jurisdictions and the providers. Within 60 days of the visit, the CAA submits a report with findings to the ESG-funded providers. Since it is the local governments that contract with the providers, they are also required to monitor and make sure providers adhere to the grant agreement.

Within DHCD, the ESG is not directly related to the other housing programs DHCD administers. Therefore, the ESG staff must coordinate on homeless issues with other state agencies. A key coordinating group is the Interagency Council on the Homeless, in which all state agencies administering homeless programs participate. It is in this forum that issues such as gaps and overlaps between programs are addressed. The Governor's Advisory Board on the Homeless, which has one appointed member for each jurisdiction, is also a coordinating body. The state agencies are able to sit in on the Board meetings and are active participants. Coordination at the local level is very successful; each local jurisdiction has its own Homeless Task Force which meets to coordinate funds and activities, and in turn coordinates at the state level. There is also a statewide advocacy group, the Maryland Coalition for the Homeless, which seems to be a constructive force and maintains an active network with local task forces and providers as well as the state agencies.

Because of its responsibility as the state's primary housing agency, DHCD's long-term strategy for dealing with homelessness is to concentrate on the development of affordable housing for the citizens of Maryland. Specifically, the current focus for the homeless is on building single room occupancy (SROs) and shared housing. These goals have not changed since the inception of the ESG. In the meantime, the state believes the ESG funds are absolutely essential to providing shelter until there is real, affordable housing. In general, the ESG officials believe there is an adequate number of emergency shelters in the state but certainly not an oversupply. Officials would like to see more transitional facilities, as well as a more holistic, case management approach (which would integrate services *and* provide economic opportunities for the homeless).

None of the facilities visited used ESG funds for conversion or renovation to get the shelter started. The Hughesville Shelter viewed their initial ESG grant in 1989 as a part of their start-up. They received state loans and grants in the amount of $800,000 for acquisition and renovation between 1987 and 1989 (when the shelter opened), but the 1989 ESG grant of $18,000 was used to pay for utilities during the first year of operations. They would have been able to open the shelter, but would not have been able to keep it running that first year without ESG funds. The Family Crisis Resource Center in Cumberland used their only ESG grant, in 1991, for kitchen renovations; this was to improve the quality of shelter rather than provide additional space. Otherwise, the providers visited in Maryland all used the ESG awards for operations and some essential services.

All these providers cited lack of services in some critical areas. In Washington County, services and shelters are lacking for the homeless with mental health or drug/alcohol abuse problems. In Cumberland County, officials indicated that with the rise in chronic unemployment, more family services are needed; there is also an increase in the number of single men heading families, but virtually no services are available for this group. In Charles County, the provider cited the fact that there is only one shelter in the tri-county area, indicating there is a lack of services at all levels. Single men in particular are in need of both shelter and services.

The implementation of ESG in Maryland at the state level is very well organized and coordinated. It became even more efficient as the monitoring process was improved after the

1990 audit. The level of local coordination is impressive due to the state-mandated local homeless task forces. These task forces, combined with the Governor's Advisory Board, ensure identification of gaps and overlaps in state, local, and federal homeless programs. The primary obstacle to ESG implementation from the point of view of both the grantee and the providers is the *environmental review* required for conversion, rehabilitation, or renovation. *The combination of the environmental review requirement and the two-year spending requirement for ESG funds has prevented Maryland from using ESG for capital funding.* A secondary issue is the perception of some local jurisdictions and providers that politics plays a role in the final award decisions.

Neither the grantee nor the providers had any significant complaints about HUD ESG administration, other than the statutorily-required environmental review and the statutory ceiling on essential services. All those interviewed would like to see an increase in the overall level of ESG funding.

3.4 Impact

The grantee rates ESG a three overall on a five point scale, in improving or expanding the number of beds or level of services to homeless in the subgrantee jurisdictions. Since Maryland is only allocated $240,000 for the state (exclusive of the entitlement jurisdictions), it is not enough money to really have an appreciable impact when allocated to the remaining nineteen jurisdictions. Last year, there were $650,000 in requests for ESG funds, almost triple the actual allotment. However, state officials believe ESG has allowed them to enhance the services offered by local providers, and that the ESG has been a significant element in increasing the amount of local support for homeless services. *All applications for funds must contain a local match and will not be accepted without it.* Although the state may later waive the match, the local funds usually are still available to the provider.

All the Maryland providers interviewed said that, while ESG may not have increased the number of beds, the funding was critical in paying operational costs to keep their existing shelters open. The Family Crisis Resource Center, which used their one ESG grant to renovate kitchen facilities, felt that this was important in improving the quality of the services supported by the shelter. The Hughesville Shelter director said that the childcare services supported by ESG in the past two grant years were very helpful in freeing clients during the day to participate in job training and interviews. HRS client data show that in 1991, of those who stayed at the shelter over 30 days, 52 percent of those who entered the shelter without employment had obtained jobs by the time they left.

None of the participants related any difficulty in obtaining matching funds for the ESG, particularly since the state provides significant funding of its own and requires localities to provide a match for the ESG grant. The grantee and the providers viewed the HUD officials responsible for the ESG, especially the Baltimore office, as being very helpful in providing program updates and technical assistance.

CHAPTER 4

Emergency Shelter Grants Program Evaluation

SITE PROFILE: State of Ohio

4.1 Site Overview

The state of Ohio's current economic situation is relatively healthy. With a population of 10,847,115 in 1990,[1] the unemployment rates are significantly lower than they were in the early 1980s. However, this positive economic climate is not the only barometer by which to judge the condition of an area. According to the state's Comprehensive Housing Affordability Strategy (CHAS), increases in rental costs surpassed income by 33 percent from 1980 to 1989.[2]

During these years, median income rose by 54 percent, while median gross rent rose by 87 percent. The lower the income, the higher the burden of rent and utilities.[3] The following information summarizes some of the problems Ohio now faces:

- Close to 70 percent of those households classified as below the poverty level lack affordable housing. Of the children living in poverty, half live in a household headed by a disabled person.[4]

- At least 90 percent of the severely mentally retarded persons served by the state mental health department are unemployed. Their average monthly income is less than $400. The median gross rent in Ohio was $490.[5]

Homelessness has emerged as a major problem in almost all of Ohio's 88 counties. According to the Ohio Coalition for the Homeless, approximately 140,000 persons in Ohio were homeless in 1989, and this estimate was increasing at a rate of 10 to 20 percent per year, so that in 1990 the figure could be 154,000 to 168,000. The Ohio Department of Development

---

[1] *State of Ohio Comprehensive Housing Affordability Strategy (CHAS)*, January 1992. Ohio Department of Development, p. 62.

[2] *Ibid.*, p.7.

[3] *Ibid.*, p.8.

[4] *Ibid.*, p.18.

[5] *Ibid.*, p.19.

conducted a survey of the 54 homeless shelters that it funded and determined that approximately 38,000 persons (unduplicated count) were served over a one-year period between 1988 and 1989.[6] Twelve run-away shelters for homeless youth served about 2,000 during this same time, while 12,000 unduplicated cases involving domestic violence received shelter services. At least 29 other shelters in the state were not receiving state funds; the state assumed that at least 20,000 individuals received assistance from these agencies. Of course, the estimated total of 72,000 served also does not take into consideration the number of homeless who did not use the shelters.[7]

Demand for state assistance from the shelters and service providers has also been increasing. In 1986, 30 shelters serving 14 counties received state support; in 1991, 54 shelters covering 36 counties received funding. Furthermore, organizations in at least 50 counties now have or are developing emergency shelters for the homeless.[8]

According to the CHAS, the factor that has contributed most to the increase in homelessness has been lack of low-cost housing. Since 1980, Ohio has lost approximately 90,000 units of affordable housing. Other causes of homelessness in Ohio include:

- The shift from higher paying manufacturing jobs to lower paying service jobs;
- HUD's 80 percent reduction in assisted housing programs;
- The fact that while rents increased by 31 percent, Aid to Families with Dependent Children payments increased by only seven percent during the same time period;
- There is no housing assistance available to 75 percent of those on public assistance; and
- Waiting lists for public housing exceeded 40,000 applicants in 1988.

The fastest growing segment of the homeless population identified by the CHAS has been families with children, and this is also the group for whom services are notably lacking. The increase in this population was noted over and over again during the site visit. State agencies

[6] *Ibid.*, p. 20.

[7] *Ibid.*, p. 21.

[8] *Ibid.*, p. 21.

reported a low percentage of elderly homeless. However, veterans make up a significant proportion, and the state believes it is very important to link veterans with proper veterans support groups and networks. Another CHAS finding consistent with on-site discussions was that, in Ohio's major cities, single adults outnumber all other categories of homeless. The impact of the recent decrease in the maximum amount and duration of General Assistance benefits for single adults is only now being felt by the shelters and service providers. Since these benefits have been cut, it is widely believed that many more individuals will become homeless; single women may even become pregnant to retain some benefits. This will put more of a strain on the capacity of shelters and service providers and on their financial base. (See Appendix A for additional demographics concerning the homeless in Franklin County, Ohio, where the city of Columbus is located.)

The agencies involved in the Emergency Shelter Grants Program (ESG) that were consulted during the site visit to Ohio include the following:

- Ohio Department of Development (the grantee agency);
- The Open Shelter (ESG-funded provider) in Columbus;
- Friends of the Homeless (ESG-funded provider) in Columbus; and
- Community Action Committee of Pike County (ESG-funded provider) in Piketon.

4.2 Program Description

The Emergency Shelter Grants Program in Ohio is administered by the Community Development Division within the Ohio Department of Development (DOD) as are the state-funded programs to assist the homeless and at risk populations. This department also administers the Emergency Community Services Homeless Grant under the U.S. Community Services Block Grant program and energy assistance programs designed to benefit low- and moderate-income persons. In addition to DOD's role, other state agencies administer programs that are not specifically targeted but may assist the homeless or at-risk populations; these include the departments of mental health, human services, mental retardation and development disabilities, as well as the rehabilitation services commission. In FFY 91,[9] DOD allocated $1,405,256 among 57 ESG provider agencies. Of this amount, $59,256 represents reallocated ESG funds from FFY 89 and 90.

The following service providers in Ohio were selected for site visits: the Open Shelter in Columbus, Friends of the Homeless in Columbus, and The Community Action Committee of Pike County, in Piketon. Exhibit 4.1 provides summary information on the characteristics of these service providers.

Since its creation in December 1983, ***The Open Shelter***, located in Columbus, has provided emergency shelter, meals, medical and legal clinics, a safety bank club, a job placement and employment program, and advocacy services for the homeless to all segments of the homeless population. There is also an extensive, well-stocked distribution center for various necessities. The emergency shelter serves approximately 95 men per night and admits both walk-ins and referrals. The length of stay for the men may be one to three nights for new and recurring clients, or 30 to 75 days for "contract residents." "Contract residents" agree to a plan to get back on their feet and out of the shelter. The plan may include obtaining assistance in seeking employment and/or entitlement benefits and maintaining a savings account.

In FFY 91, The Open Shelter used ESG resources to pay for operations and essential services. During 1991, the agency served 1,279 unduplicated males, averaging 103 persons per night. The average length of stay in that year was 29 days. In addition, 1,500 persons received medical care at the shelter. Meals are served to 200 persons per day, including weekends; 70,000 meals are served per year. The distribution center provides clothing, furniture, bedding, kitchen utensils, and supplies to those moving out of the shelter and others in need. The most recent use of ESG resources at the Open Shelter was to provide security and increase the number of clients receiving counseling, by allowing other resources to be used for administrative salaries.

Besides ESG resources, the Open Shelter received the following funds in 1991: state funding and private contributions for administration, operations, and essential services; local government and Community Development Block Grant (CDBG) funding for operations; and

[9] The fiscal years pertaining to federal allocations of ESG funding are labelled FFY (Federal Fiscal Year), to distinguish from the fiscal years of the agencies receiving ESG grants.

Exhibit 4.1

Emergency Shelter Grants Program
Characteristics of State of Ohio Providers

Provider Characteristics	Selected Providers in the State of Ohio		
	The Open Shelter, Columbus	Friends of the Homeless, Columbus	Community Action Committee of Pike County, Piketon
Type of Organization	Private, nonprofit agency	Private, nonprofit agency	Private, nonprofit agency
Year Begun	1983	1983	1965
Year Began Serving the Homeless	1983	1983	1989
Populations Served	Homeless single men and women and families (overnight: men)	Homeless single men and women	Homeless and at-risk men and women and families
History of ESG Funding FFY 87 FFY 87S FFY 88 FFY 89 FFY 90 FFY 91	 $ 5,000 15,900 0 0 0 44,700	 $ 5,000 0 0 0 47,582 55,611	 $ 0 0 0 0 17,800 20,000
ESG-Supported Activities	FFY 87-87S: Operations FFY 91: Operations and Essential Services	FFY 87: Conversion/renovation/rehabilitation (C/R/R) FFY 90: C/R/R and Operations FFY 91: Operations and Essential Services	FFY 90: Homelessness Prevention FFY 91: Homelessness Prevention
Other Activities Serving the Homeless	Essential services, banking, employment program, distribution center	Essential services, 24-hour care, meals, transitional housing	Payment for shelter, food, essential services, case management

Exhibit 4.1, continued

Provider Characteristics	Selected Providers in the State of Ohio		
	The Open Shelter, Columbus	Friends of the Homeless, Columbus	Community Action Committee of Pike County, Piketon
Total FY 91 Budget[1] and Percent from ESG	$771,373 3%	$741,383 7.5%/13.7%[2]	$4,546,136 .4%

[1] Cash budget for homeless activities for the year in which FFY 91 ESG funding was received.

[2] The second figure includes the combined ESG funding from Columbus and Franklin County.

business income for operations and essential services. In FFY 91, the ESG grant represented approximately three percent of the total cash budget of the agency.

Friends of the Homeless, founded in 1983 in Columbus, initially provided shelter services to homeless single men. Now the ESG-supported emergency shelter has expanded these services to include single men, women, persons with HIV/AIDS, and those who are chronically mentally ill, although they are not able to accommodate children or two-parent families. Friends of the Homeless also provides other services to its clients, such as community resource information and referral, employment assistance (literacy training and GED classes, life skills development, job search assistance), housing referral and rental assistance, case management, a substance abuse counseling and recovery program, and mental health counseling and referral.

The shelter operated by Friends of the Homeless has 114 beds to serve 84 men and 30 women per evening. Approximately 1,000 persons are served annually. Initially, a client may stay up to 30 days. If the client is participating in a job training or placement program, or is in the process of locating permanent housing, he or she may stay an additional 30 days. The agency's employment program serves 70 to 90 persons monthly. Friends also administers a transitional housing program that will allow residents to remain in a subsidized unit up to two years. Intensive case management and linkages to supportive services are a part of the transitional housing program. Most recently, Friends began a permanent housing program to assist physically disabled adults who were formerly homeless. Priority is given to veterans, especially Vietnam-era vets.

Friends of the Homeless began receiving ESG funds from the state in FFY 87, with a grant for conversion/rehabilitation/renovation (C/R/R) in the amount of $5,000. In FFY 90, the agency received $47,582 ESG funds for C/R/R and operations. In FFY 91, it received $55,611 for operations and essential services. Capital expenditures included compliance with safety and security items. Franklin County (an ESG entitlement jurisdiction) also gave funds to Friends of the Homeless in FFY 87 and FFY 89; the FFY 91 ESG funding from this source was $46,000. In addition to ESG funding, the agency also received state funds in FFY 91 from the Ohio Department of Development for operations and monies from the local Community Shelter Board (county and city resources) for administration and operations. The ESG resources from the state of Ohio and Franklin County represent approximately 14 percent of the total cash budget in 1991.

The ***Community Action Committee of Pike County (CAC)*** is a Community Action Program (CAP) agency serving a rural area about 120 miles south of Columbus with a population of 24,249. CAC began operations 27 years ago but only began providing services to the homeless in 1989. They do not operate a shelter. Instead, they serve all segments of the homeless population—as well as at-risk persons—with hotel/motel vouchers, permanent housing, job training, childcare, healthcare, homeless prevention (rent/mortgage assistance), and literacy classes.

CAC received its first ESG funds in FFY 90, in the amount of $17,800 for homeless prevention activities. This activity was again funded in FFY 91 in the amount of $20,000. The primary use of these funds is rent, mortgage, and utility assistance. In addition to the ESG funds, CAC also receives other resources for homelessness prevention and other supportive activities, including the Community Services Block Grant (CSBG), Federal Emergency Management Agency (FEMA) (for food, emergency shelter and rent for permanent housing), and private funds. CAC serves approximately 3,500 persons annually. ESG funds represent less than 1 percent of the total cash budget for 1991, but half of their homelessness prevention activities are funded by ESG resources.

4.3 Implementation

Historically, Ohio's Department of Development staff has received input from an interagency homeless council and advocates for the homeless when developing the strategies for the use of the ESG resources. Since this department is also responsible for developing the CHAS, applications are reviewed with the priorities of the CHAS in mind. The staff ranks the top priorities for the use of ESG funds as: 1) increasing the number of beds; 2) providing essential services; and 3) preventing homelessness. At the present time, the staff plans to focus the ESG resources more on supportive social services and case management activities that are linked with permanent housing strategies.

In the past, the Ohio Department of Health controlled the allocation of ESG resources and instituted competitive funding cycles. The state changed this system in 1987 by moving the responsibility to the Department of Development and by instituting a more stable funding mechanism. This mechanism consists of two types of funding:

- A formula allocation (the Formula Shelter Operating Grants) that provides homeless assistance from a combination of state and federal funds; and

- Competitive Grants for Shelter Operating Costs, Shelter Rehabilitation, Essential Services, and Homelessness Prevention.

The formula allocation is based upon the number of shelter bed nights, shelter capacity, and the historical allocation of funds. Priority for a portion of the funds is given to applicants not located in entitlement areas. All nonprofit applicants requesting competitive shelter rehabilitation grant funds must supply proof that a unit of local government will conduct the technical review concerning compliance with the HUD environmental review requirements.[10] Allocations of ESG resources are made directly to shelters and service providers rather than through intermediary local government recipients. The grantee does not plan the allocation by major categories of eligible activities, but instead assigns funds based upon need, within the ESG program rules.

Ohio has a well-coordinated homeless assistance program. Within the Community Development Division of DOD, the chief of the office of Housing and Community Partnerships works closely with other offices that fund homeless activities and sits on their application/funding review panels. Representatives from those offices sit on the panel that funds ESG applications. Besides providing funding decision assistance, the DOD staff works with homeless advocates and coalitions to determine the needs of the homeless population.

DOD administers several programs that assist the homeless aside from the Emergency Shelter Grants Program. These include CDBG funds passed through to local governments by the DOD Office of Local Government Services, funds disseminated through DOD's Office of Community Services to community action agencies from the CSBG Program and Rental Housing Programs operated by DOD's Ohio Housing Finance Agency. Transitional Housing and Permanent Housing for the Handicapped Homeless programs are also administered by the Office of Housing and Community Partnerships.

---

[10] Office of the Department of Development, Office of Housing and Community Partnerships, *FY 1993 Emergency Shelter Grants Program Guidelines*, February 28, 1992. Draft. p.11.

A large number of programs for the homeless and at risk populations funded by the state and federal governments are administered by state agencies other than the DOD. The Governor therefore requested that a cluster workgroup be formed, with activities and discussions coordinated by the deputy director of the community development division of DOD. This Homeless Interdepartmental Cluster Workgroup includes the following agencies: DOD, health, mental health, education, human services (childcare and families), rehabilitation and employment services, HUD, alcohol and drug addiction services, the Governor's Office, the Ohio Coalition for the Homeless, the Interagency Council for the Homeless, and the Ohio Housing Finance Agency. As a result of the work of all of these agencies, communication regarding homeless needs and strategies to meet those needs is ongoing and well-coordinated at the state level.

The Ohio Coalition for the Homeless publishes a directory of programs and services specifically developed to assist the homeless. The directory, which is organized by the county(ies) served, contains not only the names, addresses and telephone numbers of the agencies, but also the populations served, handicapped accessibility information, nightly bed capacity, hours and days of operation, and services provided. The concept for the directory was provided by The Interdepartmental Cluster.

Exhibit 4.2 shows the history of ESG allocations in Ohio and the percent distribution among the eligible categories. From FFY 87 through FFY 88, a third to a half of the monies were allocated to capital projects and a half to two-thirds for operations. Allocation to services began to increase in FFY 89; by FFY 91, the combined percentage for essential services and homelessness prevention was 24 percent. Also, four percent of the funds were allocated to administration in FFY 91.

The funding allocation pattern parallels the grantee's goals of first increasing the number of shelters beds through capital investment and operation and maintenance funds, then providing essential services, and finally providing homelessness prevention funds to applicants. If the grantee implements its plan to fund programs that provide linkages to essential services, there may be an increase in the level of ESG funding for essential services (unless applicants do not request the funding).

Exhibit 4.2 also shows the matching funds by source, type, and level for the ESG allocations to the three providers interviewed in Ohio. The matches are made at the provider level and are listed for each of the ESG-supported activities as well as the other activities that

Exhibit 4.2
ESG Funding History and Match Sources:
State of Ohio

		C/R/R	OPS	ES	HP	AD	TOTAL
History of ESG Funding	FFY 87	$ 116,300	$ 213,550	$ 17,150	N/A	N/A	$ 347,000
	FFY 87S	376,233	501,982	56,785	N/A	N/A	935,000
	FFY 88	57,100	93,200	700	N/A	N/A	151,000
	FFY 89	392,800	336,900	45,200	$86,100	N/A	861,000
	FFY 90	306,700	780,176	130,624	137,500	N/A	1,355,000
	FFY 91	0	965,406	169,594	145,000	$66,000	1,346,000
Percent Distribution of Funds Over Time	FFY 87	34%	62%	4%	N/A	N/A	100%
	FFY 87S	40	54	6	N/A	N/A	100
	FFY 88	38	62	0	N/A	N/A	100
	FFY 89	46	39	5	10%	N/A	100
	FFY 90	23	58	10	9	N/A	100
	FFY 91	0	72	13	11	4%	100

	PROVIDER/ACTIVITY		SOURCE	LEVEL
Matching Funds for ESG Allocations	OS	OPS, ES	Private contributions from individuals; shelter business income; State and local government	Provider
	FH	OPS	State (DOD); Federal (CDBG)	Provider
	CAC	ES, HP	Federal (FEMA, CDBG); United Way; local government; private contributions from businesses	Provider

KEY:
C/R/R=conversion, renovation, rehabilitation OPS=shelter operations ES=essential services OS=Open Shelter
HP=homelessness prevention AD=administration FH=Friends of the Homeless
CAC=Community Action Committee of Pike County
N/A=Not Applicable—HP not separate from ES until FFY 89; AD not eligible activity until FFY 91.

are performed by each provider. In all cases, the dollar amount from other sources far exceeded the amount of the ESG grants.[11] As seen in Exhibit 4.2, there are both state and local funds committed for homeless assistance in Ohio. Federal resources also play a major role in supporting CAC of Pike County, while local government and private contributions play a major role at both the Open Shelter and the Friends of the Homeless. FEMA, the U.S. Department of Health and Human Services, and HUD's CDBG program provide resources for the homeless primarily in the areas of food, operations, homelessness prevention, and rehabilitation. State and local government funding, as well as contributions from individuals and income from business ventures, support administration, operations, and essential services.

The Ohio grantee stresses that there continues to be unmet need for beds in the shelters, and that the homeless population most underserved is families. However, the grantee is focussing on providing additional affordable housing and transitional beds, rather than adding to shelter capacity, for the next one to two years. In addition, the grantee will support transitional housing projects with linkages to well-designed supportive services. In Pike County, there are enough beds to serve the homeless, as long as vouchers continue to be available for hotel and motel rooms. Drug abuse treatment and detox centers are not sufficiently available in the Columbus area for either daily or long-term care, nor are there enough respite care beds for those released too early from the hospitals. According to one of the service providers, the public housing agency in Columbus has not been too helpful in providing housing to the homeless, because homelessness is just one of many other categories to receive a preference for a public housing unit, and there are not enough units to meet the needs of everyone with a preference.

The grantee, shelters, and other service providers all stated that a number of critical services and amenities are still needed, including the basics (social skills, food, and bathrooms), health care, job training, personal hygiene, clothes, budgeting, and case management. CAC of Pike County also identified unmet needs for literacy and job training (based on the county's school dropout rate and unemployment of 11 percent) and family planning counseling (since the county has the third highest teenage pregnancy rate in Ohio).

[11] See Exhibit 4.1 for ESG's share of the providers' budgets.

4.4 Impact

Each provider interviewed identified a discernible impact from ESG funding. Friends of the Homeless in Columbus has used ESG resources for rehab, operations, and essential services; the results are an increase in the number of beds in the shelter, improvement in the security system, improvement in the level and quality of services, and an increase in the number of homeless receiving services. Without the ESG resources, the Friends of the Homeless state that they could not operate a 24-hour shelter or serve as many individuals. At the Open Shelter, the ESG funding for operations and essential services has supported an increase in the number of clients served by enabling the shelter to remain open 24 hours a day. The funds have also been used to enable staff to perform quality control, resulting in better quality services. The ESG homelessness prevention resources enabled CAC of Pike County to provide better services to more homeless and at risk individuals. Furthermore, CAC says that without the ESG resources, the agency could only have provided crisis response to the needs of clients. With the funds, they can now perform follow-up with most clients, to see if their lives have become more stable.

In Ohio, the providers cited two positive factors enhancing their ability to meet need: cooperation among service providers, including health care centers, and good relationships with the business community, neighbors, and funders. However, there are several factors that limit the ability of the providers to match the services they offer with the needs of the homeless population, including:

- Lack of political influence; politicians do not view the service as necessary, resulting in an inadequate funding level;
- Insufficient funds for some programs that benefit the homeless as well as other clients, especially for job training programs;
- Insufficient training for the service provider staff on the needs of various segments of the homeless population (many of whom have multiple problems) and how to meet those needs;
- Lack of transportation to reach service centers;
- Insufficient number of beds for certain segments of the homeless population, resulting in an inability to fully assess need;

- Inability to obtain affordable rental housing from the PHA or other sources;
- Inability to obtain prompt reimbursement for ESG expenses. (This has been a problem for some of the shelters from the city of Columbus); and
- Not in My Backyard syndrome, in which the general population resists locating facilities for homeless people in some neighborhoods.

The grantee recommends that HUD provide a single block grant for all homeless funding, so that it can be coordinated more easily at the state level. A unified block grant would also allow grantees to allocate resources based upon the needs in their areas, rather than having HUD establish maximum percentages for eligible activities. They feel that HUD, located in Washington, cannot be as knowledgeable about either the needs of the homeless in specific areas *or* how ESG funds can best be used in conjunction with other resources available in an area.

Other comments from those involved with ESG in Ohio indicate that the environmental review regulations are unnecessarily burdensome, requiring too much paperwork. The service providers requested more training and technical assistance in the areas of case management, fundraising, property management, and rehabilitation (especially Single Room Occupancy rehab requirements). Occasional training in the changes in federal program regulations for the homeless would also be beneficial.

The state of Ohio's response to the needs of the homeless has been to support shelters and service providers financially with locally generated resources, and to establish and maintain a well-coordinated communications system, thereby avoiding duplications of resources and activities.

CHAPTER 5

EMERGENCY SHELTER GRANTS PROGRAM EVALUATION

SITE PROFILE: STATE OF TEXAS

5.1 Site Overview

The population of the state of Texas increased by 19.2 percent between 1980 and 1990, to 16,986,510.[1] However, the rate of growth has been declining in recent years and, as a result of reductions in the energy and agricultural sectors of the national economy as well as other economic factors, outmigration from the state now exceeds inmigration.[2]

It has been especially difficult to document the number of homeless in Texas, due in part to the migratory nature of the homeless population. According to the Comprehensive Housing Affordability Strategy (CHAS), using the "HUD formula of 25 per 10,000," the estimated number of homeless in Texas is 40,000 or more.[3] The Texas Interagency Council for Services for the Homeless attributes some of the major causes of homelessness in Texas to the lack of affordable housing, unemployment and underemployment, early release programs from overcrowded prisons, de-institutionalization of the mentally ill, and the high rate of dropouts among school children.[4] Priority strategies for the state include increasing the amount of rental housing, housing and services for the homeless, and housing for persons with special needs.[5]

Based upon a statewide census of shelters conducted in 1988, demographics of the homeless population are as follows:

- *Age:* 58 percent of the adult homeless population were between the ages of 20 and 39. Children between the ages of two and five made up 40 percent of the total homeless population.

---

[1] *State of Texas Comprehensive Housing Affordability Strategy (CHAS), Fiscal Year 1992.* October 1991. Texas Department of Housing and Community Affairs. p. 98.

[2] *Ibid.*, p. 99.

[3] *Ibid.*, p. 66.

[4] *Ibid.*, p. 64.

[5] *Ibid.*, pp. 166,174.

- *Gender:* Men made up approximately 60 percent of the homeless population in Texas.

- *Race:* Whites/Anglos accounted for close to 50 percent of the population. Blacks account for 28 percent, and Hispanics account for 18 percent of the homeless population.

- *Families:* 70 percent of the homeless adults had at least one child. Homeless women with children represented one of the fastest growing segments of the population.

- *Length of time in Texas:* About 37 percent had spent most of their lives in Texas, while 31 percent had been in Texas for less than 12 months.

- *Recent homelessness:* Close to 60 percent were newly homeless, having used an emergency shelter for the first time within the last 12 months.

- *Veterans:* 31 percent of the entire counted population in the 1988 statewide shelter census were veterans.

- *Mentally ill homeless:* In a separate survey, the Texas Mental Health Department reported that it served close to 9,000 homeless mentally ill in 1990. Of these, 72 percent were between the ages of 22 and 44.

- *Employment:* Between 29 percent and 33 percent reported being employed full-time, part-time, or as day laborers.

- *Barriers to employment:* 50 percent of the men said that physical health was the most common barrier to employment, followed by the lack of jobs, child care, care for an ill dependent, education, transportation, and pregnancy.[6]

A number of health issues relate to the homeless. It was reported in the nationwide Census that about 50 percent of the men and between 10 percent and 16 percent of the women were alcohol abusers, and 13 percent of men and women used drugs. Ex-offenders receive minimum follow-up; those among the homeless tend to be socially hostile, illiterate substance abusers who are unemployable. In 1990, 404,824 Texas women reported being physically or sexually abused; family violence centers housed and/or served more than 20,000 of these women and close to 15,000 children that year.[7] Of the 109,830 children who ran away from home in

---

[6] *Ibid.*, pp. 67-69, 74, 80.

[7] *Ibid.*, p. 77.

1989, seven out of ten females and four out of ten males were sexually abused. Of all runaways, 84 percent used drugs or alcohol.[8] Texas ranks fourth in the nation in its population of people with AIDS.[9] In addition, the incidence of tuberculosis has increased, resulting in added operational expenses for shelters that must purchase ventilating equipment for their facilities.

In addition to the economic, social, and health problems facing the homeless, there is a serious lack of affordable housing. According to the 1980 Census, 55 percent of the households earning less than $10,000 per year paid more than 35 percent of their income for rent; 40.5 percent of the households earning less than $15,000 per year had similarly high rent burdens. Statewide, there are more than 114,600 publicly assisted units. Even so, as of June 1991, there were 72,429 families on the Section 8 waiting lists.[10]

During our site visit to Texas, the following entities involved in the Emergency Shelter Grants Program (ESG) were consulted:

- State of Texas Department of Housing and Community Affairs, Division of Community Affairs and Economic Development (in Austin);
- City of Copperas Cove (ESG-funded provider, located in south-central Texas, north of Austin);
- Collin Intervention to Youth (ESG-funded provider, located in Plano, north of Dallas); and
- Brighter Tomorrows (ESG-funded provider, located in Duncanville, southwest of Dallas).

5.2 Program Description

The Emergency Shelter Grants Program in the state of Texas is administered by the state's Community Services section within the Department of Housing and Community Affairs. This office also administers other federally-funded programs serving the homeless and economically disadvantaged persons, including the Emergency Community Services Homeless

[8] *Ibid.*, p. 78.

[9] *Ibid.*, p. 93.

[10] *Ibid.*, p. 55.

Grant, Permanent Housing for Handicapped Homeless Persons, the Community Services Block Grant, and the State-funded Emergency Nutrition and Temporary Emergency Relief Program. For the FFY 91[11] ESG, Texas allocated its $1,910,000 grant among 30 provider agencies. Sixteen of these agencies had received prior ESG funding. Of the three providers visited for this evaluation, only one, the city of Copperas Cove, had received prior ESG funding, in FFY 88. Of the three providers visited in Corpus Christi, only one, Metro-Ministries, received FFY 91 ESG funding from the state. Texas does not spend any of its own money on homeless programs, although it does provide funding for programs to which the homeless are eligible to apply.

Exhibit 5.1 summarizes the characteristics of the three selected service providers. The ***city of Copperas Cove***, located about two hours northwest of Austin, founded ***Cove House*** in February 1989 to serve homeless and displaced single men and women, and families with children. This public shelter served 173 persons in 1991; by September 1992 it had served 399 people, a 200 percent increase. Unless a client is actively seeking employment or searching for permanent housing, the length of stay at Cove House is limited to 14 days.

Copperas Cove used Community Development Block Grant (CDBG) resources to acquire and rehabilitate the shelter buildings in 1988. Its first grant of ESG funds in FFY 88 in the amount of $36,090 was used for supplies, furnishings, and other operational costs ($32,490) and rehabilitation costs ($3,600). In FFY 91, ESG resources represented approximately 57 percent of Cove House's total cash budget. The FFY 91 ESG funds were used to help renovate a building to store foods ($3,950), for homelessness prevention ($11,050) and for purchasing playground and kitchen equipment and other operational costs ($17,970). The city also received funds from The Federal Emergency Management Agency (FEMA), the United Way, and private contributions. It used these resources to operate the shelter and provide homelessness prevention services to families, many of whom were squatters taking shelter in housing abandoned by military enlisted persons that had been assigned to Ft. Hood, which is adjacent to Copperas Cove. Because the military installation is expected to grow by 25,000 enlisted personnel and the abandoned housing will be reactivated, the city anticipates a greater need for ESG funds for

[11] The fiscal years pertaining to federal allocations of ESG funding are labelled FFY (Federal Fiscal Year), to distinguish from the fiscal years of the agencies receiving ESG grants.

Exhibit 5.1

Emergency Shelter Grants Program
Characteristics of State of Texas Providers

Provider Characteristics	Selected Providers in Texas		
	City of Copperas Cove "Cove House," Copperas Cove	Collin Intervention to Youth "City House," Plano	Brighter Tomorrows, Duncanville
Type of Organization	Public agency	Private nonprofit	Private nonprofit
Year Begun	2/89	12/88	3/89
Year Began Serving the Homeless	2/89	12/88	3/89
Populations Served	Families, single males and females	Battered children, homeless and runaway youths.	Domestic violence victims: battered females, abused elderly, abused children, abused disabled
History of ESG Funding			
FFY 87S	$ 0	$ 0	$ 0
FFY 88	36,090	0	0
FFY 89	0	0	0
FFY 90	0	0	0
FFY 91	32,970	50,000[1]	51,636
ESG-Supported Activities	FFY 88: Rehabilitation, Operations FFY 91: Rehabilitation, Operations, Homelessness Prevention	Operations, Essential Services	Operations, Essential Services, Homelessness Prevention
Other Activities Serving the Homeless	Food, clothing, assistance in obtaining permanent housing, job referral, transportation	Homelessness prevention, psychological counseling, case management, daily living skills, education, transportation, food services	Assistance in obtaining permanent housing, entitlement benefits and daily living skills, case management

[1] $40,612 ES; Maintenance/Operations $9,388

Exhibit 5.1, continued

Provider Characteristics	Selected Providers in Texas		
	City of Copperas Cove "Cove House," Copperas Cove	Collin Intervention to Youth "City House," Plano	Brighter Tomorrows, Duncanville
Total FY 91 Budget[2] and Percent from ESG	$57,525 57%	$319,495 16%	$208,796[3] 25%

[2] Cash budget for homeless activities, for the year in which FFY 91 ESG funding was received.

[3] Budget figure includes in-kind contributions.

homelessness prevention in the future. The city will continue to use the funds to pay for transportation, utilities and rent.

Collin Intervention to Youth (CIY), founded in 1988 in Plano, began by serving homeless people and victims of domestic violence in its shelter called ***City House***. Plano is an upper middle-class suburb just north of Dallas. Today, City House continues to serve boys and girls ages 10-17 with psychological counseling, case management, daily living skills, education, transportation, and food services. The agency also operates a prevention program for families at risk of children about to run away. Some 78 percent of its clients have been sexually abused; 85 percent have been physically abused. The average length of stay is 14 days, with a 30 day maximum. Upon leaving the shelter, approximately half of the youth are placed back in their homes and the others are sent to live with foster parents, a ranch, or a long-term placement until they are 18 years old. Between 125 and 130 children are assisted annually. Now, with capacity doubled to accommodate 13 youths, this figure is also expected to double.

City House received its only ESG grant in FFY 91, in the amount of $50,000. These funds were used to support operations and essential services, enabling the staff to provide higher quality services by freeing up other resources for counseling and administrative expenses. In addition to ESG funds, FEMA money supports food services and shelter operations; a U.S. Department of Health and Human Services' Runaway and Homeless Youth Grant and the United Way fund shelter operations; the state's Services to At-Risk Youth funds counseling and homeless prevention activities; and the city and county provide resources for food and operations, respectively. ESG resources represent approximately six percent of the agency's total cash budget.

Brighter Tomorrows, in Duncanville, was founded in March 1989 to serve and shelter victims of domestic violence, including disabled persons abused by care givers, abused elders and children, and battered women. Today, the staff and volunteers assist clients by providing emergency, transitional, and permanent housing, and by making referrals for entitlement benefits such as food stamps. In 1991, the emergency shelter served 74 clients, and the transitional housing program served 6. These figures are expected to double in 1992, due to the expansion of the shelter facilities. Residents remain in the emergency shelter an average of three to five days. They may stay in the transitional shelter up to one year.

Brighter Tomorrows received its only ESG grant, $51,636 in FFY 91, for operations, essential services, and homelessness prevention. More specifically, the funds were used to purchase office equipment, furnishings, and to pay for a case worker and utility deposits for clients moving into permanent housing. During this same year, $16,560 in CDBG funds also supported essential services, and a foundation provided $50,000 for capital acquisitions. In addition, the staff estimates that over $54,000 was donated in the form of pro bono assistance for administrative activities, including management, fundraising, and bookkeeping. The ESG resources represented approximately 25 percent of the total budget in 1991.

5.3 Implementation

The Texas Division of Community Affairs and Economic Development (DCAED), the grantee agency, has a separate application process for the ESG resources. This division participates in preparing the CHAS, which outlines the needs of the population, including establishing priorities for the homeless and developing strategies and funding sources to meet the needs. The state relies upon public information to advertise the availability of the resources. It also sends an announcement to prior ESG-funded agencies and meets with interested applicants. Written applications are reviewed by agency staff without input from other agencies or local coalitions.

Prior to the change in federal law that allowed the state to contract directly with private, nonprofit organizations, the state restricted funding to cities and counties. Now, the state funds private, nonprofit organizations as well. Subsequent to the statutory change, fewer cities and counties are applying for ESG funding, and about 90 percent of the resources are provided directly to nonprofit agencies. In addition, the state now awards bonus points to nonprofits that provide verification that the local government has agreed to assist the state with environmental review, should such a review be necessary, as well as those nonprofits located in areas that have not received prior ESG funding. Aside from these strategies, the primary goal in allocating ESG resources is to try to meet as many needs as possible, as outlined in the applications.

At the present time, the Assistant Director for Planning of DCAED performs the role of homeless information coordinator and is the Vice Chairman of the Texas Interagency Council for Services for the Homeless. The Interagency Council has a representative member from each of the nine state agencies on the council and three non-advisory members representing service providers (but appointed by the Governor, the Lieutenant Governor, and the Speaker). The Council includes advisory members from the United Way, the Texas Homeless Network, and the Texas Department of Criminal Justice. This Interagency Council prepares a legislative report on the number and types of services provided to the homeless and shares information concerning the homeless assistance programs administered by their agencies. No other paid staff of the state of Texas perform coordinating functions or provide services or information to either the homeless or to service providers and shelters.

For the most part, the service providers interviewed rely on meetings of FEMA advisory boards, local coalitions and councils, and literature from the United Way to obtain information regarding the services and resources available to assist their clients. The soon-to-be-established Homeless Resource Center will be charged with the responsibility of developing and updating a statewide listing of shelters and service providers. This group will also have a toll-free telephone number, to provide referral information to callers. Aside from the federal programs for the homeless, DCAED also administers other social service programs, including the Community Food and Nutrition Program, the Dependant Care Development Grant program, and the School Child Care Services Fund. These programs serve homeless as well as other clients.

Exhibit 5.2 shows the history of ESG allocations to the state of Texas and the distribution of funds among the eligible categories. During the first funding year, FFY 87, almost the same percentage of resources were allocated to conversion, renovation, and rehabilitation (46 percent) and to operations (47 percent), while essential services received only seven percent of the monies. In FFY 87S, capital projects received the majority of resources, 72 percent, while operations received 22 percent and services remained at six percent. Funding in FFY 88 was similarly distributed, based upon applications received. The FFY 89 allocation shows a major change, reflecting the fact that more organizations had become aware of the availability of ESG resources and proposed a broader range of eligible activities. In that year, rehab received only 31 percent, operations 49 percent, and essential services 20 percent; the distribution was similar in FFY 90. Then, in FFY 91, another change occurred; not only did the state take advantage of the five percent administration allowance, but essential services funding reached almost 30 percent and the first homelessness prevention allocation totalled 12 percent. The increase in homelessness prevention funding is based on applications requesting these funds.

Exhibit 5.2
ESG Funding History and Match Sources:
State of Texas

		C/R/R	OPS	ES	HP	AD	TOTAL
History of ESG Funding	FFY 87	$ 196,100	$ 201,425	$ 29,475	N/A	N/A	$427,000
	FFY 87S	987,956	294,937	83,107	N/A	N/A	1,366,000
	FFY 88	162,724	55,281	995	N/A	N/A	219,000
	FFY 89	376,146	604,022	242,832	$ 0	N/A	1,223,000
	FFY 90	690,386	897,100	337,514	0	N/A	1,925,000
	FFY 91	395,434	634,011	550,542	234,513	$95,500	$11,910,000
Percent Distribution of Funds Over Time	FFY 87	46%	47%	7%	N/A	N/A	100%
	FFY 87S	72	22	6	N/A	N/A	100
	FFY 88	74	25	1	N/A	N/A	100
	FFY 89	31	49	20	0%	N/A	100
	FFY 90	36	47	17	0	N/A	100
	FFY 91	21	33	29	12	5%	100

	PROVIDER/ACTIVITY		SOURCE	LEVEL
Matching Funds for ESG Allocations	CC	O, HP	Federal (FEMA); United Way; City funds; local utility program	Provider
	CIY	O, HP	Federal (FEMA, HHS); United Way; County	Provider
	BT	C/R/R	City (CDBG); private contributions from private individuals and local groups	Provider

KEY: C/R/R=conversion, renovation, rehabilitation OPS=shelter operations ES=essential services
HP=homelessness prevention AD=administration
CC=Copperas Cove CIY=Collin Intervention to Youth BT=Brighter Tomorrows
N/A=Not Applicable—HP not separate from ES until FFY 89; AD not eligible activity until FFY 91.

Exhibit 5.2 also shows the matching funds by source, type, and level for the ESG allocations to the three providers interviewed in Texas. In all cases, both the dollar amount and pro bono donations far exceeded the amounts of the ESG grants. The matches are made at the provider level and are listed for each of the ESG-supported activities as well as the other activities performed by each provider. As can be seen, the state commits virtually no funds of its own for homeless assistance. In each of the three sites, either the city or county or both provided funding, including federal grants as well as local funds. In the case of Collin Intervention to Youth, the state provided federal HHS funds for at-risk youths. Among federal agencies, FEMA, HHS, and HUD's CDBG play a substantial role in homeless assistance in Texas by providing resources in the areas of food, operations, and property acquisition and renovation. Contributions from individuals, businesses, and foundations play a major part in supporting operations, homelessness prevention, and rehabilitation.

According to the grantee, additional shelters are needed for two-parent families, families with adolescent children, and the chronically mentally ill. The CHAS states that "Homeless persons are turned away or put on waiting lists for emergency shelter in all seven counties where Texas's largest cities are located."[12] Transitional housing is seen as the first step toward achieving stability and self-sufficiency, and it is sorely needed, along with safe, affordable permanent housing.[13]

Relationships with the local public housing agencies (PHAs) varied among the three providers, from having no relationship at all to having a good relationship. However, the CHAS indicated that the PHA waiting lists were very long throughout the state.

According to the CHAS, necessary services most infrequently provided for the homeless include job training, education, child day care, drop-in centers, and legal aid. Yet access to job training programs, education services for adults and children, health care, and child care are needed to move from a life in crisis on the streets and in emergency shelters into permanent housing with a "stable lifestyle necessary to a sense of self-worth and productivity." Most homeless people desired employment and job skills; the most commonly perceived barrier to employment was lack of physical health. *Some of these critical services are available in Texas;*

[12] *Ibid.*, p. 70.

[13] *Ibid.*, p. 71.

however, interagency coordination must be improved both at the local and state levels. A more comprehensive approach to service delivery, along with "a streamlined referral process, counseling, and long-range followup with homeless families and individuals" are needed.[14]

5.4 Impact

The staff of the City of Copperas Cove stated that ESG funds helped to make Cove House shelter a reality in 1989, because funds were used for furnishings, playground and office equipment, and (more recently) rehabilitation of a storage room for food and clothing. More recently, ESG and other funds have enabled the staff to provide homelessness prevention services, in the form of rent and utility assistance, to approximately 350 more clients in 1992 than in 1991.

Collin Intervention to Youth states that the ESG resources directly increased the number of persons the agency is able to assist by providing better quality services. ESG funds enable the executive director to hire counselors to assist the youth, freeing her time to perform essential fundraising and administrative tasks.

Although Brighter Tomorrows has received only one grant, the ESG resources have enabled the agency to purchase beds and other furnishings, a computer and appliances. As a result of receiving ESG funding and an expansion of shelter facilities, the agency increased the number of clients served from 74 in 1991 to approximately 150 in 1992.

Overall, the grantee believes that ESG funding has directly increased the number of shelters and beds in the state. In addition, ESG funds have improved the quality of the shelters, by providing new kitchens and appliances and by making the shelters handicapped- accessible. Further, the ESG resources have expanded the number of services for the clients. The grantee does not believe that the ESG monies have been substituted for other resources. Instead, they are used to complement other funds that may have use restrictions.

The grantee explained that a number of quasi-public agencies provide services to the homeless but are excluded from receiving Permanent Housing for Handicapped Homeless and Shelter Plus Care resources because they are not private nonprofit organizations. Because there are so many unmet needs, the grantee hopes to provide these agencies with some resources in the future.

---

[14] *Ibid.*, p. 72.

The following factors were identified as negative influences on the ability of the agencies to match their services with the needs of the population:

- Inadequate interagency coordination at the state and local levels;
- Lack of a comprehensive approach to service delivery at the local level;
- Lack of transportation combined with the distance between service providers;
- Problems in achieving eligibility to receive services;
- Lack of sufficient case management;
- No state funding to support and facilitate coordination with state and local coalitions;
- Lack of funds to provide all needed services (no one-stop shopping);
- Uneven distribution of services across the state;
- Lack of awareness of other services available to the homeless;
- Transiency of the population;
- Multiple needs that cannot be dealt with by one organization;
- Undereducated clientele;
- Severity of the problems; and
- Unwillingness of homeless people to move to an area with jobs but without family or friends.

The grantee believes appropriate assistance concerning ESG is available from HUD. However, one of the shelters stated that it could use some help from HUD on how to use ESG funds more effectively. Another shelter requested a listing of funding sources for their organization. In addition, it was suggested that the ESG program be a multiple-year funded program, instead of requiring annual applications.

CHAPTER 6

EMERGENCY SHELTER GRANTS PROGRAM EVALUATION

SITE PROFILE: BIRMINGHAM, ALABAMA

6.1 Site Overview

Birmingham, Alabama is the largest city in the state of Alabama and a leading educational and medical center. It is also the county seat of Jefferson County and comprises about 99 of the county's 1100 square miles. The city's population is 282,900, within a metropolitan area of 908,000 people. Approximately 66 per cent of the city's population and 32 per cent of the metropolitan area's population is black. The steel industry, once a major factor in the economy, is almost non-existent. Employment in the medical and health fields has grown tremendously since the University of Alabama (UAB) opened in 1945, and is currently Birmingham's largest employer. The telecommunications industry is the city's second largest employer; the headquarters of South Central Bell and Bell South Services are both in Birmingham.

In the past five years, the homeless population in Birmingham has increased significantly. According to local sources, uncertain and troubled economic conditions, unemployment, loss of permanent housing, and crime have taken their toll on society and have increased the number of homeless persons. The homeless population includes single adults with children and intact families in greater numbers, as well as young and old, black and white, men and women, single persons, healthy and ill. Many have multiple problems involving substance abuse and mental or physical illness. Tuberculosis and substance abuse (of crack cocaine, alcohol, and heroin) are reported to be on the rise among the homeless.

Of particular interest, according to homeless service providers participating in this Emergency Shelter Grants Program (ESG) evaluation, is the emergence of three groups among the homeless population: young males (ages 14-19), young women (ages 17-22) with and without children, and de-institutionalized mental patients. The young males appear to be served less by emergency shelter providers (based on shelter admission policies, as they are considered harder to control). The young women attribute their homelessness to domestic violence and family conflict or dissolution. This group generally seeks the services of shelters for battered women. Approximately 250 mentally ill persons per year are released from state mental institutions and return to the Birmingham area, according to the State Department of Mental Health. The de-institutionalized mental patients are generally referred to area shelters by hospitals and social service systems due to the overcrowding of therapeutic group homes and/or family members reluctant to provide housing for these individuals. The city also keeps a watchful eye on the growing numbers of elderly homeless persons since many cannot live on social security benefits or fixed income alone.

The City of Birmingham's Comprehensive Housing Affordability Strategy (CHAS)[1] indicates that an estimated 600 to 1,000 persons in Birmingham are homeless on any one night. Homeless shelters and other service providers (including soup kitchens) serve approximately 1,542 persons per day and 2,000 to 2,600 persons per week. The varying numbers reported by providers indicate some turnover and/or fluctuation in the number of persons served from day to day.

Statistics on the homeless population collected by LaGory and Ritchey (1987)[2] for the Health Care for the Homeless Program showed there were 76 percent males and 24 percent females among the homeless population. The 20- to 44-year-old age group comprised 60 percent of homeless individuals, those 45 years and older accounted for 35 percent, while seven percent were 19 or younger; the average age of the Birmingham sample of homeless people was 39.7 years. High school graduates represented 57 percent of the homeless, while 12 percent had attended college and 5 percent received college degrees. Alabama natives accounted for 65 percent of the homeless population. The average length of homelessness was 4.5 months. Seventy-four percent were clinically depressed and, of these, 17 percent had been institutionalized. Annually, some 238 mentally ill veterans fall into this category. The four most common reported reasons for homelessness were job loss (75 percent), mental problems (60 percent), substance abuse (64 percent), and lack of affordable housing (79 percent).

Data contained in the CHAS, based on reports by shelter providers, cited 582 homeless on June 7, 1990.[3] The capacity of the eleven emergency overnight shelters for that night was 455 beds. Nine transitional housing programs (with average stays from two weeks to six

---

[1] *Comprehensive Housing Affordability Strategy For the City of Birmingham, Alabama, FY 92-96.* Submitted to HUD October 31, 1991 and Approved by HUD December 30, 1991, page 63.

[2] *Ibid.*, p. 65.

[3] *Ibid.*, p. 63.

months) have only 312 available spaces on a daily basis. Four of these nine programs serve only women (with children if present), with a total of 46 spaces available; three serve families only, with 57 spaces available; and one serves men or women with 15 spaces available. These facilities have large waiting lists in the Birmingham emergency housing network. Today, it is believed that there is a minimum increase of 25 percent in the number of homeless. Therefore, there is a high priority need for more emergency shelters and beds as well as more food/groceries for the emergency shelters.

Participants involved with the ESG that were consulted during the site visit to Birmingham included the following:

- City of Birmingham Department of Community Development (grantee agency);
- Urban Ministries (ESG-funded nonprofit homeless prevention provider);
- Partnership Assistance to the Homeless (PATH) (ESG-funded nonprofit shelter provider); and
- Interfaith Hospitality House (ESG-funded nonprofit shelter provider).

6.2 Program Description

The ESG in Birmingham is administered by the city's Department of Community Development (DCD), Grants Management Division, which also administers funds from the Community Development Block Grant (CDBG) Program and Supplemental Assistance for Facilities to Assist the Homeless (SAFAH). For FFY 91[4], the city received $164,000 ESG funding directly from HUD, and $90,954 ESG funding from the state of Alabama. Birmingham was thus both a grantee and a recipient of ESG monies totalling $254,954. The city had the authority to allocate all of these funds. The total budget for DCD in FFY 91 was $8,436,000; thus, the combined ESG funds were 3 percent of the grantee agency's total budget.

As the city's administrator for ESG funds, DCD's basic goals are to stabilize the city and reverse the negative trends associated with urban decay and blight through rehabilitation, to improve the economic life of the city by encouraging business development and jobs, and to foster increased production and home ownership for families of all income levels. Regarding

[4] The fiscal years pertaining to federal allocations of ESG funding are labelled FFY (Federal Fiscal Year), to distinguish from the fiscal years of the agencies receiving ESG grants.

the homeless program, DCD officials feel "there are enough beds if persons will take advantage of them, but more essential services are needed. DCD receives $10 in requests for funding for every dollar granted. The demand far exceeds the supply of funding available. Today, this paramount issue has captured the attention of the Mayor, and there is a highly visible and results-oriented homeless task force with advisory committees.

The city allocated the pooled city and state FFY 91 ESG funds to ten nonprofit agencies. The providers that received these funds from the city were: Mt. Calvary Mission, Inc. (emergency shelter); Birmingham PATH Programs (emergency and transitional shelter); Community Kitchens, Inc. (four soup kitchens); Cooperative Downtown Ministries, Inc. (emergency shelter and soup kitchen); Bread & Roses Hospitality House (emergency and transitional shelter); Interfaith Hospitality House (emergency and transitional shelter); Birmingham Urban Ministries (related homeless services, i.e., homeless prevention); Salvation Army (emergency shelter, transitional shelter, and related services); Birmingham Health Care for the Homeless, Inc., (health care-related services); and Young Women's Christian Association (YMCA) (transitional shelter).

All of these agencies are associated with the Metropolitan Birmingham Services for Homeless (MBSH), which is a coalition of local shelter and service agencies working to address the needs of the homeless. The coalition serves as an advocate for the homeless regarding local public policy decisions that affect homeless people. The provider agencies in the coalition also share information about the programs they develop in response to the needs of the homeless,[5] including emergency shelter, transitional shelter, soup kitchens and other food, crisis intervention, drug/alcohol counseling, mental health services, aftercare counseling, health care services, employment and housing counseling, referrals to treatment centers, day care for children, tutoring programs, cultural/enrichment programs, and homelessness prevention.

Exhibit 6.1 contains data regarding the three Birmingham providers that participated in the ESG evaluation site visit. They are PATH (a private, nonprofit shelter provider), Interfaith Ministries (a private, nonprofit shelter provider), and Urban Ministries (a private, nonprofit homelessness prevention provider).

---

[5] Although Birmingham's United Way tried to design SHELTERNET, an on-line system to enable better communication among providers about existing shelter capacity, today only two shelters use the system. The remaining agencies keep all records in hand-written form.

Exhibit 6.1

Emergency Shelter Grants Program
Characteristics of Birmingham, Alabama Providers

Provider Characteristics	Selected Providers in Birmingham, Alabama		
	PATH	Urban Ministries	Interfaith Hospitality House
Type of Organization	Private non-profit agency	Private, non-profit agency	Private, non-profit agency
Year Begun	1985	1977	1981
Year Began Serving the Homeless	1985	1977	1983
Populations Served	Homeless families (women with children)	Homeless and at-risk families	Homeless families (women with children)
History of ESG Funding			
FFY 87S	$40,900	0	$14,540
FFY 88	19,000	0	0
FFY 89	18,910	0	23,285
FFY 90	20,900	0	35,000
FFY 91	18,000	$21,000	17,500
ESG-Supported Activities	FY 87S-89 Essential Services; FY 90-91 Essential Operations	FY 91 Homelessness Prevention and Essential Services	FY 87-91 Operations
Other Activities Serving the Homeless	Operations for transitional, permanent housing programs	Homelessness prevention and essential services (rent, utility, food assistance)	Operations, essential services
Total FY 91 Budget[1] and Percent from ESG	$376,681 4.88%	$383,587 5.5%	$131,417 13.3%

[1] Cash budget for homeless activities, for the year in which FFY 91 ESG funding was received.

Partnership Assistance to the Homeless (PATH) currently operates three shelter programs. The Center for Women and Children provides a safe place for women and children in the daytime hours, with meals and counseling. PATH's Transitional and Permanent Housing Program consists of eight 2-bedroom apartments, renting for 20 percent of the tenant's ADC check, with the goal of enabling residents to become self-sufficient. PATH Employment Readiness offers life skills and personal care training. In 1990, PATH leased two homes from HUD. With the help of the Birmingham Homebuilders, the Junior League of Birmingham, and other volunteers, renovation of the homes was completed, the first in the summer of 1991 and the second in November 1992. A formerly homeless woman moved into the first home in 1991. If she can meet the requirements for home ownership, she will have an option to purchase the home.

Urban Ministries does not operate a shelter but provides essential and homelessness prevention services -- such as rent, utilities and basic needs (food, medicine payment assistance, clothing, transportation monies) -- to individuals who are homeless or at risk of becoming homeless. ***Interfaith Ministries*** operates several programs: emergency shelter, transitional housing, and services (including informal day care, referral to social service agencies, assistance with entitlement programs, housing and employment counseling, and an escrow savings plan). Interfaith Hospitality House, a transitional shelter operated by Interfaith Ministries, provides shelter (up to 12 weeks) to five families at a time.

PATH and Interfaith Hospitality House received ESG funding nearly every year before FFY 91. Urban Ministries received its first ESG funding in 1991. Earlier grants to PATH and Interfaith (FFY 88) funded operational expenses such as food, insurance, and utilities. Personnel costs for shelter operations are not paid from ESG funding.

In reviewing the homeless situation, several significant facts surfaced. First, over 85 percent of the shelter programs in Birmingham started around 1982, which clearly illustrates the city's early recognition that there was a homeless problem. Most of the facilities serving homeless individuals were already in operation by 1987 through the Greater Birmingham Ministries, composed of a group of volunteers (mostly religious leaders). Second, these facilities (Bethany Home, Birmingham PATH Program, Bread and Roses Hospitality House, Interfaith Hospitality House and Family Violence Center) serve mostly women and children (except

Salvation Army Lodge and First Presbyterian Shelter). Third, these facilities operate at maximum capacity at all times.

The city of Birmingham utilizes its ESG funding in three areas: essential services; shelter operations; and homelessness prevention. Exhibit 6.2 shows the providers that received ESG FFY 91 funding from the city's own grant, with the amount and usage of the funds. Exhibit 6.3 shows Birmingham's allocation of the additional ESG funds received from the state of Alabama; these funds were used heavily for shelter operations. Note that, for FFY 91, five providers received ESG funding from the city from both grants. All these monies (state ESG and city ESG) must be tracked separately by the Grants Management Division of DCD and by the providers. The providers have monthly reporting responsibilities to the DCD on both grants, and DCD's Grant Management Division monitors the funds separately through review of bank statements, general ledgers, and other documents.

The state ESG funds handled by Birmingham *as recipient* generally arrive six months after the city's direct ESG funds. Beyond the added resources, the state funds have another advantage: the providers may elect to utilize state ESG funds in six to nine months (or even faster, if the amount is small), while city ESG funding must generally be spread over one year.

Urban Ministries uses its funding for essential services/staff (partial salary for case worker) and homeless prevention (direct payments for clients), while PATH and Interfaith uses these funds for operational expenses. ESG funding provided 14 beds for Interfaith Hospitality House and 40 beds, child care, food, and emergency night shelter supplies for PATH. ESG funding assisted Urban Ministries in providing approximately fifty families per week with assistance with transportation, rent and utilities, medicine payment, and food and clothing. The maximum assistance payment to any one family is $630. While an estimated 750 families were served by Urban Ministries in 1991, for every family they assist, ten families are turned away and referred elsewhere. Services include: shelter, informal child care, housing and employment searches, and a mandatory savings program for out placement when exiting Interfaith Hospitality House. Interfaith also has a partnership with a local thrift shop. A core of volunteers run the thrift shop.

All three providers receive additional government funding from CDBG and the Emergency Food and Shelter Local Board Program, under the Federal Emergency Management Agency Food and Shelter Program. (They also receive private support from United Way.) Use

Exhibit 6.2
ESG Funding History and Match Sources:
Birmingham, Alabama—Direct ESG Funds

		C/R/R	OPS	ES	HP	AD	TOTAL
History of ESG Funding	FFY 87S	$40,000	$ 58,600	$17,400	N/A	N/A	$116,000
	FFY 88	0	19,000	0	N/A	N/A	19,000
	FFY 89	0	85,600	21,400	N/A	N/A	107,000
	FFY 90	0	134,400	33,600	$ 0	N/A	168,000
	FFY 91	0	104,800	49,200	10,000	$ 0	164,000
Percent Distribution of Funds Over Time	FFY 87S	34%	50%	16%	N/A	N/A	100%
	FFY 88	0	100	0	N/A	N/A	100
	FFY 89	0	80	20	N/A	N/A	100
	FFY 90	0	80	20	0%	N/A	100
	FFY 91	0	63	30	7	0%	100

	PROVIDER/ACTIVITY		SOURCE	LEVEL
Matching Funds for ESG Allocations	PATH	OPS	Federal (FEMA, CDBG); Contributions: Corporations and Foundations	Provider
	Urban Ministries	ES	Federal (FEMA); Contributions: Individuals and Foundations	Provider
	Interfaith Ministries	OPS	Contributions: Corporations, Foundations, and Invidiauals	Provider

KEY: C/R/R=conversion, renovation, rehabilitation OPS=shelter operations ES=essential services
HP=homelessness prevention AD=administration
N/A=Not Applicable—HP not separate from ES until FFY 89; AD not eligible activity until FFY91.

Exhibit 6.3
ESG Funding History and Match Sources:
Birmingham, Alabama--State of Alabama ESG Funds
Allocated by the City of Birmingham

		C/R/R	OPS	ES	HP	AD	TOTAL
History of ESG Funding	FFY 87	$149,417	$ 41,583	$ 0	N/A	N/A	$191,000
	FFY 87S	0	0	0	N/A	N/A	0
	FFY 88	17,000	64,000	0	N/A	N/A	81,000
	FFY 89	14,776	70,224	0	$ 0	N/A	85,000
	FFY 90	0	123,406	25,000	0	N/A	148.406
	FFY 91	0	72,850	18,104	0	$ 0	90,954
Percent Distribution of Funds Over Time	FFY 87	78%	22%	0%	N/A	N/A	100%
	FFY 87S	0	0	0	N/A	N/A	0
	FFY 88	20	80	0	N/A	N/A	100
	FFY 89	17	83	0	0%	N/A	100
	FFY 90	0	83	17	0	N/A	100
	FFY 91	0	80	20	0	0%	100

	ACTIVITY/PROVIDER		SOURCE	LEVEL
Matching Funds for ESG Allocations	PATH	OPS	Federal (FEMA,CDBG, ESG), Contributions: Corporations and Foundations	Provider
	Urban	ES	Local Government Grants: ESG; Federal: FEMA; Contributions: Individuals and Foundations	Provider
	Interfaith	OPS	Federal ESG; Contributions: Corporations, Foundations, and Individuals	Provider

KEY: C/R/R=conversion, rehabilitation, renovation OPS=shelter operations ES=essential services
HP=homelessness prevention AD=administration
N/A=Not Applicable—HP not separate from ES until FFY 89; AD not eligible activity until FFY 91.

of ESG funds is generally restricted to various grant budget line items. DCD, the grantee, receives and approves monthly program reports and reimbursement requests submitted by the three homeless providers.

6.3 Implementation

The city of Birmingham received its first ESG grant under the FFY 87S allocation. The Department of Community Development already had some experience with housing programs for the poor, at risk, and homeless. Also, many of the homeless programs in Birmingham were started by church organizations in the mid-1970s. When ESG funding became available, many of these homeless leaders joined the city in providing technical assistance in administering programs to the city's homeless population. Before ESG, CDBG funds were used to assist programs targeted to the at-risk population or those individuals on welfare or other subsidized government entitlement programs. Because DCD administers the CDBG, it also spearheads the Comprehensive Housing Affordability Strategy (CHAS) preparation for the city, with a strong focus on the homeless.

The city of Birmingham solicits input from over 400 housing and social service agencies early in the CHAS and ESG annual planning process. The City Council's Homeless Task Force is headed by the Chairman of the City Council. The city develops the annual plans in cooperation with the Birmingham City Council's Housing Policy Advisory Committee. All of the city's homeless providers funded through CDBG or other government programs are asked to provide their views and comments. Members of the Birmingham City Council's Homeless Task Force Advisory Committee (made up of members from social service agencies serving the needs of children, elderly persons, homeless persons) are also asked to provide their views and comments. Finally, public hearings are conducted to obtain the views and opinions of citizens on the effectiveness of the programs and activities currently underway.

Priorities for ESG and other programs for the homeless are set in conjunction with the annual updating of the CHAS. The CHAS combines strategy implementation (investment plan—affordable housing priorities, homeless priorities, needs priorities) with service delivery and management, public housing improvements and resident initiatives, all designed to address the unmet needs of the homeless and at-risk population. Statistical tables and charts from agencies serving the homeless provide documentation emphasizing the need for more funding and how it will improve the services to the homeless.

Once ESG funding becomes available, DCD issues a Request for Proposals (RFP) to solicit requests for ESG funding from eligible organizations. Applicants are required to provide a detailed description of how the funds will be utilized and to identify the source for matching funds. The DCD reviews the proposals against the priorities outlined by the Homeless Task Force and the needs outlined in the CHAS. Other considerations for funding decisions include the amount of funding needed, the purpose of funding, the provider track record and effectiveness of service delivery to homeless clients, how vital the funds are for the particular provider, and ability to match the funds. The Grants Management Branch of DCD determines which organizations will receive ESG funding for the year.

Exhibits 6.2 and 6.3 showed the history of ESG allocations by the city of Birmingham, from its own funds and from state of Alabama funds. The monies have largely been used for operations and essential services. From FFY 87 to FFY 89, some conversion, renovation, and rehabilitation was supported, primarily from the state allocation. Through FFY 91, only one provider has received a grant for homelessness prevention activities. Exhibit 6.2 also indicated the matching funds by source and type (required at the provider level) for the ESG allocations to the city of Birmingham. In all cases, the matching funds exceed the ESG grants. The matches at the provider level are for the specific ESG-supported activities. The two providers that received monies for operational expenses also received some ESG state funding (see Exhibit 3) and significant contributions from the private sector. All three providers raised a significant portion of their budgets from corporations, foundations, individual gifts, churches, and in-kind services. It is of interest that the providers did not necessarily know the origin of funding they are receiving through the city (i.e., SAFAH, city or state ESG, CDBG).

Remaining needs for emergency and transitional shelters in Birmingham are:

- *Shelter for HIV/AIDS victims (both men and women)* -- with the HIV/AIDS epidemic, there is an increasing need for these individuals to be sheltered. Those that are fortunate enough to receive medical attention usually have no place to live after being discharged from the hospital;

- *Shelter for young male adults* -- young adults (runaways) are generally left on the street, because they cannot enter shelters without an adult or are too old to be admitted into some family shelters;

- *Shelter for women and children victims of domestic violence;* and
- *Family shelters.*

However, although everyone talks about the need for additional shelters, the real cry for assistance appears to be for "real affordable housing for all." The grantee and providers are strong advocates for transitional and permanent housing, *not* more "overnight shelters." Both PATH and Interfaith currently operate transitional housing with ESG funding. PATH also operates permanent housing. Public housing has not been a remedy for the problem of homelessness in Birmingham, due to the existing long waiting lists for the few available units.

Priorities for the homeless and at-risk population in Birmingham, as defined in the 1993 CHAS Annual Plan, are as follows (in priority order): emergency shelter, housing and services for transition to permanent housing and independent living, HOME program--individuals to purchase homes after successfully completing transitional program, and assistance for preventing low-income individuals and families with children (especially those with income below 30 percent of median) from becoming homeless. Specifically, the city will:

- Provide financial assistance to six to eight nonprofit or public providers of transitional housing for expansion of their capacities, to more fully accommodate the number of homeless persons;
- Assist approximately 40 agencies that provide social and medical services to the homeless, to reach an additional 1,000 homeless individuals; and
- Assist three local nonprofit or public agencies to obtain HUD loans, to develop housing for individuals with AIDS and for elderly homeless individuals.

Implementation of the ESG in Birmingham has been effective. The city considers itself "progressive" in meeting the needs of the homeless and at-risk populations. The city attributes its effectiveness to cooperation between the city and agencies, providers, citizens, task forces, committees and others concerned with this importance issue; realistic strategic planning and management; and knowledge of the ESG and how it can meet the needs of the homeless. Along with success comes challenges. The primary challenges faced by the city of Birmingham include: (1) spreading limited available funds to the many providers in need; (2) community opposition to funding shelters and housing for persons with HIV/AIDS and the mentally ill; (3)

lack of availability of subsidized housing, with no relief in sight; and (4) pressure to remove shelters in certain communities within the city (the "Not In My Backyard" syndrome).

For the providers, the primary challenges have been: (1) "keeping the doors open" with inadequate staffing and resources; (2) inability to develop and implement new programs, due to lack of funding; (3) complying with strict guidelines for government grant programs; (4) dealing with the reality that there is no affordable housing for the homeless; (5) lack of effective technical assistance from local HUD offices; (6) need for professional fundraising to raise more money in a bad economy; and (7) effectively providing essential and preventive services to homeless children, in the hope that they do not become homeless as adults.

6.4 Impact

The Emergency Shelter Grants Program has had a notable impact on homeless programs in Birmingham. FFY 91 ESG funding was utilized in three areas: essential services; operational expenses; and homelessness prevention. Urban Ministries used its funding for essential services staff (partial salary for a caseworker) and homelessness prevention (rent, utilities, medicine assistance payment, food and clothing bank). During 1991, Urban Ministries assisted 50 families per week (homeless and at-risk individuals) through the following programs, which were funded by ESG and other grants: emergency care (homeless prevention assistance); a community kitchen (serving hot, nutritious lunches five days a week to an average of 100 persons); and Keenagers (a group of senior citizens who meet twice a week for meals, Bible study, arts and crafts, field trips). Senior citizens are at risk of becoming homeless, because they typically spend 68 percent of their incomes on housing costs and have lower incomes than non-elderly households (64 percent of the elderly households have income below twice the poverty line, according to the FFY 92-96 CHAS).

PATH and Interfaith used the funds for operational expenses. ESG funding provided 40 beds, partial child care, food and emergency night shelter supplies for PATH. According to its 1991 Annual Report, from all its resources PATH provided 13,838 nights of shelter, as well as 9,281 daily visits to PATH for various services (daily average 30). Seventy percent of the women in the employment program found full or part-time employment. Of the 26 families in the transitional housing program at the end of 1991, 31 percent are now in their own apartments, 23 percent are in Section 8 rentals, 23 percent found private housing, and eight percent are in the extended program. Interfaith Hospitality House served over 50 families in 1991 through ESG funding by providing transportation for clients, food, supplies, and 14 beds in the emergency shelter.

Over time, ESG funding has allowed providers to improve facilities (rehab of heating and cooking units, roofing), employ a few personnel to serve more homeless clients, improve amenities (more bed space), and increase social services (housing and employment searches, day care). Specifically, ESG facilitated the expansion of existing programs such as Cooperative Downtown Ministries (the Old Firehouse Shelter for Men), allowed transitional housing programs such as Interfaith Hospitality House, Bread & Roses Hospitality House, and the Family Violence Center to expand their residential facilities (for example, through additional renovation of HUD-held houses now in the foreclosure inventory), and enabled continuation and expansion of pilot programs (such as PATH Women's Emergency Night Shelter, a voucher program that has successfully housed 21 women in five months).

The providers would like the local HUD office as well as the Regional Office personnel to become more familiar with homeless programs when delivering technical assistance to the providers. Many providers noted minimum contact with the Regional Office but adequate contact with the local HUD office. The only problem the providers encountered with the local HUD office was the inability of staff to give technical assistance in the delivery of homeless services. The technical assistance rendered to providers focused on competing for new HUD funding. Therefore, the providers would like: (1) more technical assistance on changes in the various HUD grant programs and their import for providers; (2) seminars and conferences on new HUD programs and available resources for providers serving the homeless; and (3) visits from HUD officials who are knowledgeable and sensitive to issues of homelessness and are not afraid to enter shelter facilities. It is the belief of providers that many of the HUD officials have never visited a shelter and are only familiar with the regulations of the programs they administer.

Advantages of the ESG Program, according to the individuals interviewed in Birmingham are: the flexibility of ESG funding to support various eligible activities; eligibility of provision of homelessness prevention services; and ability to strategically plan and implement programs more effectively, because it is an entitlement program.

Recommendations from the service providers utilizing ESG are as follows:

- HUD should revisit its regulations on how ESG monies can be spent more effectively to reach more of the massive homeless population;

- Higher funding level -- higher cap for use of operating expenses and essential services (i.e., increase in staff for existing and new programs for the homeless to reach more of the homeless population;

- Grant should be for three to five years for previous ESG participants instead of one year for more effective planning and implementation by the service providers; and, one year for new homeless shelter providers;

- Abolish matching funds requirements; and

- Offer hands-on technical assistance directly to homeless services providers and not through the agency administering grant.

In conclusion, the city of Birmingham has developed and implemented an effective and comprehensive homeless program and sets goals and objectives to improve the program annually. DCD is able to monitor the allocation and utilization of ESG and other government funding. The Metropolitan Birmingham Services for the Homeless coalition continuously reviews the unmet needs of the homeless through monthly meetings with its providers. The coalition informs the City Council's Task Force For the Homeless of the various needs of the homeless population. Communication between the coalition and the city ensures that every possible means will be employed to assist the homeless. Again, all involved in serving the homeless population emphasize the need for additional funding for transitional and affordable permanent housing, to house the increasing number of homeless individuals and families.

CHAPTER 7

EMERGENCY SHELTER GRANTS PROGRAM EVALUATION

SITE PROFILE: BOSTON, MASSACHUSETTS

7.1 Site Overview

Boston, Massachusetts is a metropolitan city, the "hub" of the New England region and one of the ten largest metropolitan areas in the United States. Among a population of 574,283, one third of all residents are of low or moderate income, and 17 percent live below the poverty level.[1] During the economic expansion of the 1970s and 1980s, service jobs replaced industrial employment as the basis of Boston's economy. However, the recession that began in 1988 has been deep, with major job loss still occurring four years later.

Boston has a significant homeless population, as well as a population at risk of homelessness and in need of services to prevent loss of housing. The city's latest annual census of the homeless, taken in December 1992, reported 4,411 men, women, and children living on the streets, in shelters, in hotels and motels, or referred to institutions such as hospitals, mental health facilities, and detoxification programs. This represented an increase of 518 persons (12 percent) over the prior year.[2] The total number of men and women sleeping on the streets increased by 14.5 percent from last year. Although no children were identified in the street count, 17 percent of the street population was made up of women.[3] The number of families staying in Department of Public Welfare hotels increased by 111 percent from the prior year, as a "direct result of state cuts to homeless prevention programs and affordable housing subsidies, as well as the poor economy."[4] The overall homeless population was 59.4 percent adult male, 22.4 percent adult female, and 18.1 percent children.[5] The elderly, Vietnam

---

[1] *City of Boston Comprehensive Housing Affordability Strategy (CHAS), Fiscal Years 1992 - 1996.* Public Facilities Department, p. 10.

[2] Boston Emergency Shelter Commission, *State of Homelessness in the City of Boston, Winter 1992-93,* Annual Homeless Census Report, December 17, 1992, p. 2.

[3] *Ibid.*, p. 8.

[4] *Ibid.*, p. 19.

[5] *Ibid.*, p. 20.

veterans, and people with AIDS are thought to make up significant (although unmeasured) parts of the population.

Although this population is mixed, and the factors contributing to homelessness are varied, a major component of the Boston homeless population is believed to be deinstitutionalized mental patients. There was a 12 percent decrease in the number of available beds for homeless people with serious mental health problems from 1990 to 1991, contributing to a total decrease of 38 percent since late 1989 as a result of sharp cutbacks in state funding.[6] Estimates of the proportion of mental patients in the Boston homeless population range from 31 to 43 percent.[7]

In describing the history of homelessness in Boston, a recent city publication noted that a number of private secular and religious organizations have served the "tramps" and the "socially unattached and isolated residents of Skid Row" since roughly 1870. But the major increase in need for shelter and services for this population took place in the 1980s, which coincided, ironically, with a period of unprecedented prosperity for the city as a whole.[8] Exhibit 7.1 shows the growth of shelter and transitional housing/Single Room Occupancy (SRO) capacity in 3-year intervals since 1983. Adult shelter capacity has more than tripled in 9 years, with the sharpest increase between 1986 and 1989. There were just over 2.5 times the family shelter beds in 1992 as in 1983, with fairly steady expansion from 1983 to 1989 and growth at a reduced rate thereafter. These two parts, together comprising the emergency shelter system, thus tripled in capacity in 9 years, to more than 2,600 beds.

The amount of transitional housing in Boston, including SROs, increased by more than 12-fold in the same period. The city's renewed emphasis on this type of housing is reflected in the addition of more than 500 units (more than doubling the total) since 1989. Thus, Boston's response has been to address both emergency needs and longer-term routes out of homelessness.

---

[6] *Homeless Census*, pp. 16-17.

[7] "City, state to meet on aid to homeless, at Flynn's request," *Boston Globe*, November 26, 1992; "Housing studied for the homeless," *Boston Globe*, December 3, 1992.

[8] Boston Emergency Shelter Commission, *Commitment and Compassion: Boston's Comprehensive Policy for the Homeless, Winter 1991-92*, Winter Report, February 1992, pp. 55-56.

Exhibit 7.1

Capacity of the Boston Shelter System, 1983-1992[9]

Type of Facility	1983	1986	1989	1992
Adult Shelters	631	937 (48.5%)	1698 (81.2%)	2008 (18.3%)
Family Shelters	247	360 (45.7%)	552 (53.3%)	636 (15.2%)
Transitional Housing/ SROs	79	247 (312.7%)	473 (91.5%)	1017 (215%)
TOTAL	957	1544 (61.3%)	2723 (76.4%)	3661 (34.4%)

Note: Figures in parentheses show percent change over each 3-year period.

Three main causes have contributed to the recent growth of homelessness in Boston: general increases in rent levels and lack of affordable housing compared to the population in need; the deep economic recession of the past four years; and sharp reductions in a variety of state programs since 1989.[10] The city maintains its pledge to provide at least a warm bed, a hot meal, adequate health care, and transportation to shelter each night for any homeless person, yet notes that "an overwhelming number of homeless are neither on the streets nor in shelters, but are living in overcrowded and oftentimes unsafe housing. They are 'invisible' to those who seek to provide services to them."[11] Yet, the shelters continue to fill as fast -- or faster -- than the programs serving the homeless can assist in the movement from emergency to transitional or permanent housing.

---

[9] *Ibid.*, pp. 57-60.

[10] *Ibid.*, pp.6-10. The most significant cuts were in the Chapter 707 rental assistance program (capping subsidy amount and ending the rapid expansion in available certificates), repeal of the General Relief program, reduction in Department of Mental Health programs, and closing of 3 mental hospitals. In addition, the Department of Public Welfare's Emergency Assistance Program (under AFDC) has been level-funding shelter payments for 3 years, and there have been cuts in transportation, food, and first month's rent.

[11] *Ibid.*, p. 4.

The resources flowing to facilities and services for the homeless in Boston are considerable. In FFY 91,[12] some $7.7 million in funds from eight McKinney programs came to the city and state for use in Boston (in addition to $11 million in Section 8 SRO Mod Rehab funds). Some $3.8 million in the Community Development Board Grant (CDBG) funds also went into homeless programs, plus $.5 million in city linkage money and $.75 million in state Housing Innovation Funds channeled through the city.

Entities involved with the Emergency Shelter Grants Program (ESG) that were consulted in the site visit to the city of Boston included the following:

- Boston Public Facilities Department (the grantee agency);
- Boston Emergency Shelter Commission (the Mayor's staff agency on homelessness);
- Roxbury Multi-Service Center (ESG-funded provider);
- Women's Lunch Place (ESG-funded provider); and
- Urban Revival (ESG-funded provider).

7.2 Program Description

The Emergency Shelter Grants Program in Boston is administered by the City's Public Facilities Department (PFD), which also administers the CDBG program and numerous other housing initiatives. For the ESG's FFY 1991 funds, the PFD allocated its $442,000 among 19 provider agencies, 13 of which had previously received ESG funds. Two of the 19 grants were for renovation, nine for operations, one for essential services alone, one for rehab and services combined, one for operations and rehab combined, and five for homelessness prevention. Three of the 19 providers were selected for intensive study: the Roxbury Multi-Service Center (RMSC), the Women's Lunch Place (WLP), and Urban Revival (UR); all three are private, non-profit agencies. (Only one of the 19 programs funded by ESG in FFY 91 was a public facility: the Long Island Shelter.) RMSC had received three prior ESG grants from the city of Boston,

[12] The fiscal years pertaining to federal allocation of ESG funding are labelled FFY (Federal Fiscal Year), to distinguish from the fiscal years of the agencies receiving ESG grants.

UR had received one such earlier grant, and WLP received its first city ESG grant from FFY 91 monies. However, it had previously gotten an ESG grant from the state.

Exhibit 7.2 contains a variety of information about the three Boston providers visited for this study, suggesting some interesting contrasts. ***Roxbury Multi-Service Center*** is a $2.4 million agency providing a wide range of services in the poor, mostly African-American communities of Roxbury and North Dorchester. Its founders "sought to establish an institution where neighborhood people could come for help for a broad range of problems -- a 'one-stop' center where individuals and families could be served."[13] RMSC's current programs are the Family Life Center (community mental health including therapeutic counseling, employment counseling, support groups, education, information, and referral); the Community Program Against Sexual Assault; protective services for families of children at risk; Boston Youth Development Project (a multi-agency collaborative program for hard-to-reach teens); housing counseling (search and referrals); Project R.I.G.H.T (anti-crime community organizing); and the Green on Blue Project (beautification of open space on Blue Hill Avenue). There are two RMSC residential programs: one is for troubled youth, and the other is the *Family House Shelter* for homeless families, the program for which ESG funds were granted. Family House is a 24-hour facility providing shelter and services to 19 families (up to 50 people).

The ***Women's Lunch Place,*** by contrast, is a part-day shelter and feeding station for women and children who are homeless or hungry. It is located in a church basement on an elegant street near the Ritz Hotel and Public Garden. The two women who began WLP had worked in the large, adult shelters in Boston and saw the need for a day place for homeless women, a place with a non-institutional, "home" feeling. For ten years, WLP has been serving hot meals and friendship, with no questions asked. As a result, *it reaches a part of the homeless street population that is served by no other program.* It also serves many elderly women who live in isolation, in rented rooms, without sufficient means to afford both housing and food.

The clients of the third selected provider, ***Urban Revival,*** are precariously housed individuals and families. In a heavily Latino community with a significant proportion of old and deteriorated housing, Urban Revival counsels and provides advocacy to those in difficult housing situations as a result of health threat, eviction, condominium conversion, gentrification, or

[13] Roxbury Multi-Service Center, *Twenty-fifth Anniversary Brochure,* 1989.

Exhibit 7.2

Emergency Shelter Grants Program
Characteristics of Boston, Massachusetts Providers

Provider Characteristics	Selected Providers in Boston, MA		
	Women's Lunch Place	**Roxbury Multi-Service Center**	**Urban Revival**
Type of Organization	Private, non-profit agency	Private, non-profit agency	Private, non-profit agency
Year Begun	1982	1964	1977
Year Began Serving the Homeless	1982	1984?	1988 (at-risk)
Homeless Populations Served	Women and children (both homeless and not)	Homeless families of all kinds	Individuals and families at risk due to housing conditions
History of ESG Funding			
FFY 87S	$ 0	$16,000	$ 0
FFY 88	0	0	0
FFY 89	0	30,000	0
FFY 90	35,000[1]	33,000	29,000
FFY 91	20,000	40,700	26,500
ESG-Supported Activities	FFY 90: Renovation FFY 91: Operations (day shelter)	FFY 87-90: Operations FFY 91: Rehab	FFY 90: Essential Services FFY 91:Homelessness Prevention

[1] From the Commonwealth of Massachusetts, not the City of Boston.

Exhibit 7.2, continued

Provider Characteristics	Selected Providers in Boston, MA		
	Women's Lunch Place	**Roxbury Multi-Service Center**	**Urban Revival**
Other Activities Serving the Homeless	Hot breakfast and lunch; personal care; transportation; health care; housing advocacy	Family advocacy; WIC; school enrollment; health care; housing search and stabilization	Housing search; legal services referral; housing advocacy
Total FY 91 Budget[2] and Percent from ESG	$335,000[3] 6%	$420,015 8.8%[4]	$215,550[3] 12.3%

[2] Cash budget for homeless activities, for the year in which FFY 91 ESG funding was received.

[3] Budget figure includes in-kind contributions.

[4] The budget figure is for shelter operations; the ESG funding of $40,700 was in a separate capital account.

doubling up. Urban Revival's homelessness prevention program grew out of more than a decade of community organizing and education focused on housing issues.

Exhibit 7.2 also shows that these three agencies are using ESG funding to support different eligible activities. The RMSC carried out vital repairs to Family House with its FFY 91 grant; the building was shifting, and ESG paid for structural rehabilitation from the basement (new joists and posts) to the roof (new rafters and framing). The $40,700 covered all "hard" costs of the construction, but the structural engineer and other "soft" costs were paid from RMSC's own funds.

The Family House Shelter's program is a comprehensive one, with case management by "family advocates" and multiple services on-site (food, a Women, Infants, and Children program (WIC), school enrollment and transportation, primary health care, a savings program, and housing search assistance). Mental health counseling and job training are provided through RMSC's Family Life Center; the University of Massachusetts Extension Service provides classes on nutrition, food budget planning, and prudent use of Food Stamps. A major part of this shelter's program is stabilization. Once a permanent housing unit is located for a client, a stabilization worker evaluates what the family will need -- from furnishings to school enrollment to continuing job training. Many of the young people have no experience with independent living or have had problems managing in the past. The stabilization worker follows a family bi-weekly or weekly, for six months to a year, after they leave the shelter. In the past two-and-a-half years, *none* of their placements have lost their permanent housing.

Women's Lunch Place used its FFY 91 ESG funding to pay the rent for its shelter and services space. Although the facility has occupied the same church basement from the beginning, WLP is now being charged full rent, due to the church's need for renovation money and a change in the church leadership. This was part of a negotiated package also covering expansion of the facility's space by over 90 percent, plus a $150,000 renovation. The earlier ESG grant from the Commonwealth of Massachusetts paid for 23 percent of the renovation. The added spaces surround the original dining room and include a quiet room, a nap room (where the street women sleep up to four hours a day in warmth and safety and where two nurse practitioners from Healthcare for the Homeless provide primary medical care once a week), a clothing distribution room, a playroom for the children, an advocacy room (where a formerly homeless staff member assists guests in housing search), showers, a laundry room, an enlarged bathroom, and more food storage. The kitchen was also reorganized and refurbished to facilitate volunteer and guest participation in meal preparation. In these spaces, WLP serves hot, nutritious breakfasts and lunches at tables with tablecloths and flowers; provides hospitality, continuity, and refuge; distributes clothing, personal care and baby care items, subway and bus fare, postage stamps, and dozens of other small necessities; celebrates guests' birthdays; and welcomes the disoriented, the depressed, the homeless, the hungry, and the lonely.[14]

Urban Revival's homelessness prevention program is conducted in the facilities of four neighborhood health centers in Jamaica Plain. It was begun after health center staff noticed problems in following up health cases because patients had to move and "got lost." With the idea of a housing advocate *on-site* at the health center, a planning grant was obtained from a local foundation in 1987. The program opened at the Brookside Health Center in 1988; it expanded to two other centers in the fall of 1990 with the first ESG grant, and added the fourth center a year later. Among the four locations, seven sessions of three to four hours each are held per week.

The health centers offer medical care plus family and social services (mental health, WIC, counseling, and classes for pregnant teens). Urban Revival gets referrals from the health center staff when housing problems are implicated in health issues, and it works with the clients and their other providers. These families and individuals are threatened with loss of housing (due to eviction or water shut-off), or their housing conditions are such a danger to health that they are forced to leave and become homeless. Special populations include undocumented immigrants, since the health centers (which are private, non-profit agencies) ask no questions and have gained the trust of those communities. Among the health-linked problems they have encountered are:

- elevated blood lead levels from lead paint;
- infected flea bites;
- attention deficits and hyperactivity;

[14] The only rules for visits to Women's Lunch Place are that there can be no physical or verbal abuse (including between mother and child), and that alcohol and drugs may not be used (although guests may be high there).

- asthma, viral infections, and pneumonia associated with lack of heat;
- injuries from falling ceilings; and
- rat bites.

UR's homelessness prevention staff intervenes with landlords to get heat and water restored, helps clients go to housing court over safety violations, helps negotiate with landlords over back rent, and assists clients in searching for alternative housing and rental subsidy.

7.3 Implementation

When the City of Boston received its first Emergency Shelter Grant Program funding in FFY 87, it was already operating a public shelter and using its Community Development Block Grant and other funds to deal with homelessness and increase the supply of affordable housing. The Public Facilities Department (PFD), which administers CDBG and prepared the Comprehensive Homeless Assistance Plan (CHAP) (as it now does) the Comprehensive Housing Affordability Strategy (CHAS) administers the ESG funding as well.

Priorities for ESG and other funding of homeless programs are set by the PFD, in consultation with the Emergency Shelter Commission in City Hall. (This commission serves as the Mayor's staff on this issue which is of great importance to him.) PFD's Housing and Neighborhood Development Division prepares an annual budget that draws on a variety of funding sources to address the full range of housing problems. The Supportive Housing Unit lays claim to ESG, CDBG, rental rehab, Section 8 SRO, HOME, and Housing for People With Aids (HOPWA) monies.

Once an ESG NOFA appears, PFD issues a Request for Proposal (RFP), meets with prospective bidders, and reviews applications (screening for eligible activities). Then a working group (that includes the Supervisor of the Supportive Housing Unit and the head of the Emergency Shelter Commission) reviews the applications, identifying which providers are broad-based, effective, serving the full target population, and providing a range of services. In light of its priorities and this review, the PFD recommends which providers are to be funded and at what level. These recommendations must then be approved by the CDBG loan committee, the Director of PFD, the full Public Facilities Commission, and then the City Council.

Exhibit 7.3 shows the history of ESG allocations to the city of Boston and the percent distribution of the funds among eligible activity categories. The funds were used almost exclusively for conversion, renovation, and rehab from FFY 87S to FFY 89. There was no funding allocated to essential services until FFY 90. But since then, there has been a noticeable shift towards operations and essential services, accentuated in FFY 91, when over a third of the monies went to essential services and homelessness prevention.

The allocation of ESG funding among the major eligible activity categories is not pre-planned. Instead, it is determined by identifying needs not covered by other funding sources and by the providers' applications in response to annual RFPs. For example, Exhibit 7.3 shows a notable increase in homelessness prevention funding; with no prior Homelessness Prevention grants, Boston allocated 26.7 percent of ESG in FFY 91 to prevention programs. This was partially a result of the withdrawal of state resources, but also in response to growing provider interest in prevention. There had also been difficulties meeting the two-year spending mandate for rehab projects, unless the project was very well defined and did not require city permits. Therefore, capital projects related to homeless facilities were shifted to CDBG in FFY 92. In FFY 90 and 91, the city of Boston spent about half its ESG funds on shelter operations.

What is incomplete about this picture is the absence of the state's ESG resources. Portions of the Commonwealth's McKinney funds, including ESG monies, flow into Boston's shelters and other homeless programs. The city's tabulated ESG totals from the start of the program indicate that Massachusetts distributed nearly as much ESG funding as the city to Boston providers from FFY 87 to FFY 89; since then, the Commonwealth's ESG spending in Boston has actually been greater than the city's.[15]

However, there is relatively little coordination between the city and state with regard to use of these funds. When the state used a competitive RFP process, the two grantees did meet to check overlapping applications and awards. But now that the state is primarily sustaining providers it funded in the past, there is little contact. Printouts from the HUD Regional Office are used by Commonwealth staff to ascertain where all the different McKinney monies are

[15] For FFY 90, the state's share of the $1.294 million allocated to Boston providers was 65 percent; for FFY 91, the state's share of $1.045 million allocated to Boston providers was 58 percent. See *Commitment and Compassion,* "Programs Funded In the City of Boston Under the Stewart B. McKinney Homeless Assistance Act," p. 54.

Exhibit 7.3
ESG Funding History and Match Sources:
Boston, Massachusetts

	Year/Activity	C/R/R	OPS	ES	HP	AD	TOTAL
History of ESG Funding	FFY 87	$ 0	$ 64,000	$ 0	N/A	N/A	$ 64,000
	FFY 87S	313,000	4,000	0	N/A	N/A	317,000
	FFY 88	51,000	0	0	N/A	N/A	51,000
	FFY 89	217,300	71,700	0	$ 0	N/A	289,000
	FFY 90	124,474	238,926	90,800	0	N/A	454,000
	FFY 91	65,200	209,580	49,220	118,000	$ 0	442,000
Percent Distribution of Funds Over Time	FFY 87	0%	100%	0%	N/A	N/A	100%
	FFY 87S	98.7	1.3	0	N/A	N/A	100
	FFY 88	100	0	0	N/A	N/A	100
	FFY 89	75.2	24.8	0	0%	N/A	100
	FFY 90	27.4	52.6	20.0	0	N/A	100
	FFY 91	14.8	47.4	11.1	26.7	0%	100

	PROVIDER/ACTIVITY		SOURCE	LEVEL
Matching Funds for ESG Allocations	Women's Lunch Place	C/R/R, OPS	Contributions from individuals, foundations, corporations, and religious organizations; federal (FEMA)	Provider
	Roxbury Multi-Service Center	C/R/R, OPS	Federal (AFDC Emergency Assistance)	Provider
	Urban Revival	HP	In-kind legal services, volunteer hours, contributions from foundations	Provider

KEY: Activity Key: C/R/R=conversion, renovation, rehabilitation; OPS=shelter operations; ES=essential services; HP=homelessness prevention; AD=administration.
N/A=Not Applicable—HP not separate from ES until FFY 89; AD not eligible activity until FFY 91.

allocated, after the fact. "Everything gets pieced together rather than planned together," it was noted.

Exhibit 7.3 also shows the matching funds by source, type, and level for the ESG allocations to the selected providers in Boston. In all cases, the dollar amounts from other sources far exceed the ESG grants.[16] The city requires that matches be identified by the providers in their applications. At Women's Lunch Place, the renovation funding from ESG paid only 23 percent of the total cost, the remainder coming from a foundation grant and private contributions. Roxbury Multi-Service Center's Family House Shelter receives about 75 percent of its funding from Emergency Assistance paid by the Department of Public Welfare for the shelter nights provided to clients. Urban Revival's primary support is from foundation grants and individual contributions, with the foundations giving 61 percent of the support for the homelessness prevention work as well as substantial funds for the organization's other programs.

Remaining needs for emergency shelter in the city of Boston are primarily for individual women and for families. Use of motels for families due to lack of shelter openings has been rising again; in fact, HUD recently permitted Massachusetts to use McKinney funds to rent apartments for emergency shelter in lieu of motel placements.[17] Among the services reported to be inadequately available or accessible to the homeless population are school transportation, adult education, and health care. However, the most important shortage identified was of permanent, affordable housing. Shelter stays have grown longer as incremental Section 8 allocations have been reduced or eliminated. Despite the priority the Boston Housing Authority gives homeless applicants, there may be a wait of as much as two years for emergency cases. When the Family House Shelter receives a new client, the case manager helps the family file up to fifty housing applications to all the surrounding Public Housing Authorities (PHAs) and the management companies with subsidized developments!

In general, ESG implementation in the city of Boston has been fairly smooth. The grantee notes that the most general obstacle to helping the homeless is the lack of services funding and the lack of providers to help people transition *successfully* into permanent housing. There is also a need for more case coordination and for continuing services, but the capacity

---

[16] See Exhibit 7.2 for ESG's share of the providers' budgets.

[17] *Boston Globe*, November 15, 1992.

does not now exist for the whole homeless population. *Indeed, no part of the system has responsibility for homeless families* if the members do not have AIDS, mental illness, or substance abuse problems. Yet those rendered homeless by a job loss or a health emergency may well need services to stabilize them in permanent housing, particularly after the disruptive and even destructive experience of being homeless.

For the service providers, the greatest challenge comes in implementing housing search components of their programs. Staff of Urban Revival noted that it is much harder to find replacement housing than to stop an eviction. What can be done when the process of getting access to subsidized housing is underway but not complete, and the client must leave a dangerous or unhealthy situation?

Other difficulties for the providers include raising matching funds for shelter operations, paying rehabilitation contractors up front and then waiting for reimbursement, and demonstrating expansion of services under ESG each year. As one provider noted, even maintenance of services at current levels serves new people, as some clients move on to transitional or permanent housing while new clients continue to arrive.

7.4 Impact

Each of the city of Boston providers visited reports a discernable impact from the ESG grant. For Roxbury Multi-Service Center, the renewed structural integrity of the shelter building is a direct result of the funded rehab, although the shelter could still use additional rehab to remedy wear and tear and make it more attractive. The Family House Shelter served 282 families in the year the FFY 91 grant was received. Prior grants from ESG for operations helped to make up the gap between what is paid by Emergency Assistance and what it costs to provide food and furnishings for the shelter. At the Women's Lunch Place, the renovation of additional spaces and ability to pay the rent for them have made a tremendous difference in the services they can offer homeless women, beyond 26,000 meals a year to 500 people. Emergency Shelter Grants Program funding has enabled Urban Revival to make a significant expansion in its program, adding hours at two additional health centers and serving 75 percent more clients than had been projected in their application. They attribute the increase to great need combined with expanded staff time and increased referrals. The FFY 91 funds prevented loss of housing for 133 clients.

There is a proliferation of provider coalitions and advocacy groups for the homeless in Boston, but the three selected providers -- although aware of these organizations -- did not participate much and did not have a broad awareness of the policies and politics around homeless issues. This perhaps mirrors the lack of coordination at the grantee level between the city and the state. While there seemed to be substantial capacity to serve the homeless, and individual programs showed real creativity in meeting client needs, in Boston there was perhaps less sense of direction and overall strategy than in some other sites visited for this evaluation.

Among the recommendations offered for the future of the Emergency Shelter Grants Program were the following: maintain the formula entitlement; make the funding amount reliable (even better, make it increase reliably) from year to year to facilitate planning; keep the flexibility of four broad eligible activity categories; get rid of the environmental review (as long as the locality approves the project); put the NOFAs on a regular schedule; merge ESG with Supplemental Assistance for Facilities to Assist the Homeless (SAFAH) and other small programs to make a single, consolidated homeless block grant; coordinate better with McKinney programs administered by other federal agencies; and remove the caps on essential services and homelessness prevention.

CHAPTER 8

EMERGENCY SHELTER GRANTS PROGRAM EVALUATION

SITE PROFILE: CHICAGO, ILLINOIS

8.0 Site Overview

Chicago is the nation's third largest city and ranks as a leading industrial and transportation center. Chicago is also an ethnically and racially diverse city. African-Americans comprise Chicago's largest minority group with over 1.3 million people, while Hispanics make up the fastest-growing ethnic group in the city with over half a million persons. Other large ethnic groups include Poles, Germans, Irish, and Italians. In earlier generations, these European immigrants achieved economic security through employment in manufacturing industries. Today, that economic base has eroded, and many residents lack the skills and education needed for a more complex job market. About a fourth of Chicago's population receives some form of public welfare, and 60 percent of these are women and children with no other means of support. Chicago, like other urban centers, has experienced a loss of business and residents to suburban areas, leaving a disproportionate concentration of lower-income residents in the city.

Chicago also lacks affordable housing for low-income residents, despite a large inventory of multi-family units. Nearly half of the city's 1.2 million rental units are over 45 years old. In lower-income neighborhoods, most landlords lack the capital to make repairs to this older housing stock. Facing rising operating costs without a concurrent rise in rents, many owners in Chicago have simply abandoned their properties, resulting in dangerous and unsightly empty buildings and vacant lots. The Chicago Housing Authority (CHA) maintains over 40,000 apartments for low-income people; however, many of these units are undesirable to the homeless waiting to be placed, since they are located in crowded high-rise projects.[1] Section 8 waiting lists have been closed since 1985, contributing to the difficulty in obtaining affordable housing.

Chicago began formally addressing homelessness as a major social and economic concern in the early 1980s. A coordinating body, the Mayor's Task Force on the Homeless, was formed

[1] *City of Chicago Comprehensive Housing Affordability Strategy, (CHAS) 1993 Annual Plan,*, Draft, p. 33. Chicago has also put enormous effort into rehabilitating public housing. Unfortunately, public housing still carries a bad name. Even though units are available, eligible homeless people are often reluctant to live in public housing and would prefer to live in assisted, private dwellings.

to "assist in the development of plans and strategies that will meet the needs of the homeless population, address the underlying causes of homelessness, and provide a forum for sharing information and discussing joint areas of concern."[2] Now called the Chicago Task Force on the Homeless, this group is made up of representatives from providers, advocates, and government agencies and remains the key liaison for coordination of homeless services. The Task Force helps develop and review Requests for Proposals (RFPs) and provider applications for those homeless programs funded through Chicago's Department of Human Resources (DHS). DHS administers most of the federal, state, and local homeless funds received by the city, including the Emergency Shelter Grant Program (ESG).

Funding for services to the homeless through DHS has grown from less than $300,000 in 1982 to $12.7 million in 1992. During that decade, the city implemented a number of homeless initiatives:

- A ***shelter clearinghouse*** was developed in 1984 to expedite screening and placement for those in need of shelter, and is now operated through the 24-hour Communications Center of the Department of Human Services.

- A ***homeless hotline*** was established in 1985 to improve access to emergency shelter. The hotline telephone number is circulated to the homeless at soup kitchens, police stations, shelters, drop-in centers, and other social service agencies as well as through public service announcements on TV and radio.

- ***Operational guidelines*** were developed by the Task Force for transitional and overnight shelters as well as drop-in centers, in an effort to guide providers in the delivery of service to clients. The implementation of these guidelines as part of the funding process ensures some measure of consistency among providers.

Despite advances, homelessness remains a critical issue in Chicago. Estimates of the number of homeless in the city vary widely. During a recent interview, city officials described the disparity in results of efforts to count the homeless:

> We estimate that there are 4,000 to 6,000 total homeless in the city, based upon our daily census of all shelters, which is taken three times per day. This differs dramatically from the Chicago Coalition for the Homeless, which estimates that there are 70,000 homeless in the city. We feel their number is inaccurate because it contains a high proportion of

[2] *Ibid.*, Part T, p. 1.

duplicates. We prefer to state the homeless population at a particular point in time -- i.e., last night, December 10, 1992, there were 3,883 persons in shelters in the city.

Further, there are many persons at risk of homelessness. While no homeless advocacy group or government agency provides an estimate of the number at risk, the city's Community Profile indicates that the number of low-income households increased by 16 percent from 1980 to 1986, while the number of all households in Chicago increased by less than 1 percent.[3] This significant rise in the number of low-income households, combined with a decrease in affordable housing units means that many people are vulnerable to an economic emergency.

In a 1990 report, the Illinois Coalition for the Homeless described the homeless population in Chicago as follows: (1) of the total homeless population served, 55 percent were men; (2) 50 percent of all homeless people were members of a homeless family; (3) the majority of males were served by emergency overnight shelters, while the majority of females were served by longer-term shelters and transitional facilities; (4) the majority of persons served by shelters were age 22 and above, but children under 17 accounted for over 32 percent of the sheltered population; and (5) more than 75 percent of homeless persons served by the Department of Human Services (DHS) in Chicago were African-American, while 13 percent were Caucasian and 10 percent were Hispanic.[4]

The providers selected for this ESG evaluation served diverse segments of the homeless population in Chicago: single men (18-55), single women (18-45), women with children (17-35), and children of all ages. Among the special problems of those served were drug addiction, alcoholism, mental illness, domestic violence, and disease (including tuberculosis and HIV/AIDS). Providers noted that many homeless persons have common characteristics. For instance, approximately 35 percent of the homeless men had been in foster care during their youth. One provider also noted social bonds being formed among the homeless: "Due to street violence and crimes against homeless women, homeless men and women have joined forces to become families to one another, for protection while living on the streets."

[3] *Ibid.*, p. 35.

[4] *Homelessness in Illinois: A Profile of State Activities*, Interagency Council on the Homeless, March 1992.

According to the homeless service providers interviewed, of particular interest is the recent growth of three groups among the homeless population: young adults (ages 18-25) with HIV/AIDS, women with children coming from domestic violence situations, and de-institutionalized mentally ill individuals. Young adults infected with the HIV virus appear to be served primarily by emergency shelter providers, since very few transitional shelters are available to them. Health care for these individuals and for other homeless persons poses a significant problem. The Health Care for the Homeless Project (operated by Travelers and Immigrants Aid) provides two mobile teams of health professionals and maintains outreach clinics on-site at 12 overnight shelters and drop-in centers. However, these sites can only provide minimum emergency health care. Young women with children who are homeless as a result of domestic violence generally seek the services of shelters for battered women. De-institutionalized mental patients are generally referred directly to area shelters upon release, despite the fact that the shelters do not have specialized professional staff needed to care for this population. The Bridge Program, designed by Thresholds, Inc., provides aggressive outreach and case management to the homeless mentally ill, but the program needs additional resources to reach the increasing number of people who require ongoing long-term mental health care.

Participants involved with the Emergency Shelter Grants Program that were consulted during the site visit to Chicago included the following:

- City of Chicago, Department of Human Services (DHS) (the grantee agency);
- Christian Industrial League (ESG-funded nonprofit men's shelter provider);
- Southwest Women Working Together (ESG-funded nonprofit transitional shelter provider);
- Franciscan Outreach (ESG-funded nonprofit shelter and day center provider); and
- Bethel New Life (ESG-funded nonprofit transitional shelter provider).

8.2 Program Description

The ESG Program in Chicago is administered by the city's Department of Human Services (DHS) has the primary responsibility for administering all federal, state, and local funds for homeless services in Chicago. As shown in Exhibit 8.1, there are seven sources of funds for homeless services: four federal programs—the Community Development Block Grant

Exhibit 8.1

CITY OF CHICAGO
DEPARTMENT OF HUMAN SERVICES

FY 92-FY 93 EMERGENCY SHELTER FUNDING COMPARISON

Funding Source	1992	1993	Change
Corporate (City of Chicago)	$ 5,800,000	$ 5,534,000	- $ 266,000
CDBG (City of Chicago)	0	1,000,000	+ 1,000,000
CSBG (City of Chicago)	100,000	274,583	+ 174,583
HUD/ESG (31.5% National Reduction $73 to $50 Million)	2,021,000	1,384,282 est.	- 636,817
CSBG/EHP (National = 20% Reduction $25 Mil to $20 Million)	546,590	437,272 est.	- 109,318
IDPA (State)	4,117,400	4,117,400	0
Service Tax	90,101	90,101	0
Shelter Total **Percent Change**	**$12,675,090**	**$12,837,638**	**+ $ 162,548** **+ 1.3%**

Source: City of Chicago, Department of Human Services

(CDBG), the Community Services Block Grant (CSBG), Emergency Community Services Homeless Grant Program (EHP), and ESG; City of Chicago funds; State of Illinois funds; and the "service tax," a small court-awarded tax revenue fund.[5] In 1992, Chicago's total homeless services funding was $12.7 million. Of this, 46 percent came from the city, 32 percent from the State of Illinois, 16 percent from ESG, four percent from EHP, and the rest from CSBG and the service tax. Although CDBG funds were not used for homeless services in 1992, they have been in the past and will be allocated again in 1993. Total funds for 1993 are only 1.3 percent higher than for 1992.

The CDBG and CSBG grants, while federally funded, are considered local funds by the city since entitlement jurisdictions have discretion over their allocation. The city confines all homeless funding sources into one Request for Proposal (RFP), which is distributed to all providers. *Thus, many providers are not aware that the resources they receive from the city are in fact from several different federal, state, and local programs.* As a result, several of the providers interviewed were unable to identify ESG as a particular source of funding for their homeless facility or service, making it difficult to quantify the exact impact of ESG alone.

The Chicago DHS has received ESG funding since the program began in 1987. The funding has primarily been used for rehabilitation, operating expenses, and essential services. Until recently, very little has been utilized for homeless prevention services, which are generally funded through CSBG or EHP. DHS also administers programs providing services to children, such as Headstart and child nutrition programs. However, it does not directly handle entitlement programs (welfare, food stamps, or Medicaid).

The four providers interviewed run diverse operations and serve a variety of homeless people. Exhibit 8.2 provides information on the agencies and their activities. ***The Christian Industrial League***, an 83-year-old organization, considers itself the city's largest and oldest shelter. Formed to serve homeless men in 1909 (when George Kilbey, a Scots minister, provided refuge during a time of economic recession), the League's mission has been refined to fit the changed needs of today's homeless. The League is located on the West Side of Chicago and has eight programs that serve the homeless: a drug rehabilitation program, a family therapy program, an emergency overnight shelter, a soup kitchen serving three meals a day, an

---

[5] Note that the time period covered in Exhibit 8.1 is later than the main study period (FY 87 to FY 91).

Exhibit 8.2

Emergency Shelter Grants Program
Characteristics of Chicago Providers

Provider Characteristics	Selected Providers in Chicago, Illinois			
	Southwest Women Working Together	Christian Industrial League	Franciscan Outreach	Bethel New Life
Type of Organization	Private, non-profit	Private, non-profit	Catholic private, non-profit	Private, non-profit
Year Begun	1975	1909	1986	1982
Year Began Serving the Homeless	1975	1909	mid 1970's	1987
Populations Served	Women; women with children under 18; homeless and at-risk	Single men; all homeless individuals	All homeless individuals	Pregnant women; women with children
History of ESG Funding				
FFY 87	$ 0	$ 0	$ 0	$ 0
FFY 87S	0	0	37,000[1]	0
FFY 88	0	0	55,000	214,950
FFY 89	0	0	50,500	0
FFY 90	0	0	61,350	0
FFY 91	25,000	195,000	95,000	132,453
ESG-Supported Activities	Operations	Operations, Essential Services	Rehabilitation	Rehabilitation, Essential Services

[1] Cash budget for homeless activities, funding based on provider's estimate; funding by year may be based on provider rather than ESG fiscal year.

Exhibit 8.2, continued

Provider Characteristics	Selected Providers in Chicago, Illinois			
	Southwest Women Working Together	Christian Industrial League	Franciscan Outreach	Bethel New Life
Other Activities Serving the Homeless	Employment and training; housing referral; counseling for domestic violence, child abuse, rape; family support	Soup kitchen; transitional housing; rehabilitation; family therapy; SRO residence	Food center; outreach; counseling; overnight shelter	Counseling; education; emergency food
Total FY 91 Budget[2] and Percent from ESG	$105,809 24%	N/A[3]	$507,040 20%	N/A

[2] Cash budget for homeless activities, for the year in which FFY 91 ESG funding was received.

[3] Data not available; the grantee is encountering problems with financial reporting from this agency.

adult education program, a transitional living program, an emergency day program for women only, and a single room occupancy (SRO) residence for formerly homeless men.

The League operated until 1991 without any government funding, supported wholly by the United Way, community and corporate contributions, and private donations. As a rule, Christian League accepts no city funding for operating its programs, although it will accept funding from the city for pilot programs (like the O'Hare project to remove homeless people from the airport), or under short-term agreements. Indeed, the Christian League generally prefers to avoid dependency on the city, thereby retaining its autonomy. However, it accepted a $195,000 Emergency Shelter Grant in FFY 91,[6] which was used for operating expenses and essential services.

Southwest Women Working Together is a community organization serving the housing, employment, educational, and counseling needs of women and their families on the Southwest Side. Founded in 1975 by a group of volunteers in the crusade for the preservation and protection of women's fundamental human rights, the organization originally served battered women and rape victims. Since then, it has expanded to serve all families; indeed, it will provide referrals and services, if possible, to all homeless persons regardless of gender or other characteristics. Programs offered include employment and training; family support education; housing referral; a six-unit Second Stage Housing Program (originally a HUD-sponsored Project Bootstrap); and counseling for domestic violence, child abuse and sexual abuse. The majority of funding for these programs comes from the public sector, private foundations, and the United Way. Southwest Women first received ESG funding of $25,000 in FFY 91. The agency utilized this grant to pay operating expenses for the Second Stage transitional housing, with ESG funds providing 83 percent of the lease payments on these scattered site units. The women in this 18-month transitional program must participate in a self-sufficiency program and are required to contribute between 20 and 30 percent of their incomes in the form of a program fee.

The Franciscan Outreach in Chicago operated three programs in 1991: an overnight shelter for men and women at the House of Mary and Joseph, a feeding center at a separate facility (the Marquand Center), and a drug/alcohol rehab program (the St. Anthony Pilgrim House), which was recently closed. The Franciscan Outreach programs run largely through the

---

[6] The fiscal year pertaining to federal allocations of ESG funding are labelled FFY (Federal Fiscal Year), to distinguish from the fiscal years of the agencies receiving ESG grants.

services of volunteers who make a religious commitment to stay at the facilities, usually for one year. ESG funds have been used at all three facilities since the Franciscans began receiving support in 1987, primarily for renovation and rehabilitation. The 1991 grant of $95,000 was used at the Marquand Center to pay for a handicapped lift and showers, electrical work, and resetting the sprinklers. The 1991 funds were also used at the House of Mary and Joseph, for roof repair and new carpeting.

Bethel New Life is one of the largest nonprofit development and service organizations in Chicago, with a 1991 budget of over $10 million. The agency provides housing development, health care, educational, and many other services to the Garfield Park neighborhood, located in a poverty-stricken area of Chicago's West Side. A transitional shelter for pregnant women and other homeless women with families, the St. Gerrard House, is one of these community services. The primary goal of the program is to train and educate young women in the areas of parenting, child development, finance and budgeting, and other self-sufficiency skills. The program also seeks to place shelter graduates into permanent housing. The shelter itself is a renovated Catholic residential facility, leased by Bethel New Life from the Archdiocese of Chicago for $1 a year.

The Bethel program staff was unable to identify the uses of ESG funds specifically, since the monies come directly from the city combined with funds from other sources. The ESG database indicates that Bethel received $132,453 in program funds in FFY 1991 for rehabilitation and essential social services.

8.3 Implementation

Chicago's DHS received its first ESG grant under the FFY 87 allocation. Although DHS had been funding homeless programs since 1982, the Division of Homeless Services was not created until 1989. The initial focus of Chicago's homeless funding efforts was rehabilitation to bring shelters up to code, because the city had included shelters for the first time in the building code. This system-wide renovation occurred between 1983 and 1985, and was funded mostly from CDBG funds. Once the basic renovations were complete, further costly refinements were required to meet additional safety and health standards, but CDBG funding was not readily available for this purpose.

Thus, the ESG Program was enacted at a critical time for the city, and is now a significant component of the homeless budget (16 percent in 1992). ESG funds are used for construction and rehab, operations, essential services, and, starting in FFY 1991, for prevention of homelessness. A local official noted that "Unfortunately, we use very little ESG money for prevention—we don't have the luxury to use it for this purpose, since there is such overwhelming need by people who are already on the streets."

For planning and needs assessment, the city of Chicago solicits input from the Chicago Task Force on Homeless, the Interagency Council on the Homeless, United Way, the Chicago Food Depository, Catholic Charities, and other housing and social service agencies. The Homeless Task Force plays a major role in the development of plans and strategies that will both meet the needs of the homeless and address the underlying causes. According to the DHS officials interviewed, the Chicago Task Force on the Homeless meets eight to ten times a year, and monthly in subcommittee groupings, to better enable it to respond to the diverse needs of the homeless population. The Task Force provides guidance to DHS regarding available resources, funding decisions, and program oversight. Basically, the Task Force is responsible for: (1) developing RFPs as well as criteria by which shelters may be selected for funding; (2) reviewing proposals received by the Department, for the purpose of making specific funding recommendations to the Commissioner; (3) overseeing the implementation of shelter and program guidelines through periodic evaluations of program performance in collaboration with the appropriate monitoring agent; (4) developing a network of public and private funding sources, including foundations and the business sector; and (5) developing guidelines relating to the appropriate cost of program operations, rehabilitation of structures for use as shelters, and monitoring shelter code compliance and related issues. To avoid a conflict of interest, providers on the Task Force who evaluate ESG applications do not receive ESG funding.

Upon availability of funds, DHS issues one RFP in March or early April for all its funding sources. Priority service needs based on recommendations from the Task Force and homeless providers are identified in the RFP; this notifies applicants that they will receive funding priority if they provide these services. Applicants are required to provide a detailed summary of how the funds will be utilized and to identify the source of matching funds. The DHS reviews the applications against the priorities outlined by the Homeless Task Force and the needs outlined in the Comprehensive Housing Affordability Strategy (CHAS).

Other considerations include the amount of funding needed, the purpose of funding, the provider's track record (effectiveness of service delivery to homeless clients), how vital the funds are for the particular provider, and the provider's ability to provide matching funds. The Homeless Services Division of DHS, along with the Task Force, determines which organizations will receive ESG funding for the year, with the approval of the DHS Commissioner. Generally, current providers are funded first; DHS now funds about 100 agencies and has made a concerted effort to retain most of them.

Exhibit 8.3 illustrates the history of ESG allocations to Chicago and the percent distribution of the funds among the eligible activity categories. As discussed above, ESG funds have been used primarily for renovation. As the necessary renovations have been completed, more money has been allocated to essential services. In FFY 91, the city used ESG funds for the first time for homelessness prevention.

Remaining needs for shelter in Chicago include new transitional housing, especially for women with children, and a new residence for the homeless mentally ill. With domestic violence on the rise and the release of formerly institutionalized individuals, there is a great demand for such housing. Service-related needs of the homeless and at-risk populations in Chicago are defined in the 1993 CHAS as follows, in priority order:

- maintain regular shelter and warming center programs now in operation, through approximately 100 service provider contracts;
- implement a new citywide TB screening initiative and other prevention measures;
- upon availability of funds, continue to rehabilitate shelters for health and safety compliance;
- provide additional transitional shelter beds through two new shelters and one related facility;
- make a concerted effort to increase the number of transitional shelter beds for women with children;
- complete and implement a 16-bed residence for the homeless mentally ill;
- continue case management for homeless residents placed in vacant CHA units being rehabilitated by community efforts;
- support CHA-SROs for homeless persons (approved in August 1992); and

Exhibit 8.3
ESG Funding History and Match Sources:
Chicago, Illinois

		C/R/R	OPS	ES	HP	AD	TOTAL
History of ESG Funding	2FFY 87	$ 0	$287,000	$ 0	N/A	N/A	$ 287,000
	FFY 87S	692,695	449,033	241,272	N/A	N/A	1,433,000
	FFY 88	229,000	0	0	N/A	N/A	229,000
	FFY 89	1,038,300	6,500	261,200	$ 0	N/A	1,306,000
	FFY 90	1,893,200	160,800	0	0	N/A	2,054,000
	FFY 91	507,250	608,700	608,700	202,900	$101,450	2,029,000
Percent Distribution of Funds Over Time	FFY 87	0%	100%	0%	N/A	N/A	100%
	FFY 87S	48	35	17	N/A	N/A	100
	FFY 88	100	0	0	N/A	N/A	100
	FFY 89	80	1	19	0%	N/A	100
	FFY 90	92	8	0	0	N/A	100
	FFY 91	25	30	30	10	5%	100

	PROVIDER/ACTIVITY		SOURCE	LEVEL
Matching Funds for ESG Allocations	SWWW	OPS	Federal (FEMA, HUD); Churches/Foundations; United Way	Provider
	CIL	OPS	City (Aviation Fund); Corporate contributions	Provider
	FO	C/R/R	City funds (general)	Provider
	BNL	C/R/R	City funds (general)	Provider

KEY:
C/R/R=conversion, renovation, rehabilitation
HP=homelessness prevention
CIL=Christian Industrial League
OPS=shelter operations
AD=administration
FO=Franciscan Outreach
ES=essential services
SWWW=Southwest Women Working Together
BNL=Bethel New Life
N/A=Not Applicable—HP not separate from ES until FFY 89; AD not eligible activity until FFY 91.

Implementation of the ESG in Chicago has been smooth, according to both providers and city officials. The city attributes its success since 1982 in serving the homeless and at-risk populations to cooperation among the agencies, providers, citizens, task forces, committees and others concerned with this important issue; to realistic strategic planning and management; and to knowledge of the ESG and needs of the homeless. The city, along with the Task Force, monitors all providers on a formal basis. Program monitoring requirements are rigorous since providers must meet a combined standard for the federal, state, and city funding sources.

The primary challenges still faced by Chicago regarding homeless services include: (1) allocating limited funds to many providers; (2) community opposition for funding of HIV/AIDS and mentally ill homeless shelters; (3) lack of funding for special groups (mentally ill, handicapped); (4) meeting environmental regulations for new facilities; and (5) lack of technical assistance to train homeless providers in fundraising and in development and implementation of new programs.

For the providers interviewed for this evaluation, the primary challenges have been: "keeping the doors open" with inadequate staffing and resources; an inability to develop and implement new programs due to lack of funding; dealing with the reality that there is no affordable housing for the homeless; the need for more effective technical assistance from the local HUD offices; the need for professional fundraising in a bad economy; the need for short-term residential drug/alcohol treatment with aftercare, as well as long-term treatment; and effectively providing essential and preventive services to the homeless children, so that they do not become homeless as adults.

8.4 Impact

The ESG makes up a significant portion (16 percent) of the Homeless Services budget in the city of Chicago. City officials interviewed for this evaluation estimate that of the 4,500 beds in the system, "over 1,000 are directly attributable to ESG." ESG allows providers to improve facilities (such as heating and cooking units), create handicapped access, replace roofing, improve services (meals, daycare), and expand staffing to serve more homeless clients.

City officials pointed out that they try to maintain the level of direct funding to shelters even if overall funds are cut. When city homeless funds were cut last year, there was no decrease in the level of direct payments to providers. Instead, the Homeless Division cut half of its staff in order to preserve direct provider funding. There is generally no problem in obtaining matching funds for the ESG; these are met through local general revenue or state funds.

General benefits of the ESG, according to providers, are that it is one of the few programs allowing the provision of homeless prevention services. Also, ESG provides the ability to strategically plan and implement programs more effectively, because it is an entitlement program and is flexible with regard to eligible activities.

Because ESG funds are combined with other sources of federal, state and local funds into one citywide RFP for homeless funds, the providers interviewed were not sure from year to year exactly what activities ESG funded for their particular shelter or service. Interviews concerning the impact of the FFY 1991 grant showed that Southwest Women used ESG funds to pay 83 percent of the lease payments on six scattered site transitional housing units. If ESG were eliminated as a source of funds, the agency would not be able to find a replacement source from which to pay the rents for these units.

The Franciscan Outreach has used almost all their ESG funds over the years for rehabilitation and construction. These funds have enabled the agency to increase the physical security and improve the habitability of its facilities. The Franciscan Outreach is now able to serve the disabled because they used ESG funds for handicapped access modifications. DHS officials think that the use of ESG funds for improving handicapped access will increase over the next few years in an effort to comply with the Americans with Disabilities Act.

General recommendations from the Chicago service providers utilizing ESG are as follows:

(1) Eliminate funding restrictions and caps;

(2) Eliminate the set timeframes for spending the funds (flexibility to spend money over a period of time encourages proper planning);

(3) Allow each locality to determine its own funding formulas;

(4) Eliminate matching funds requirements (even though this does not seem to be an obstacle in Chicago); and

(5) Train government officials who monitor ESG in more depth about homeless provider operations.

(4) Eliminate matching funds requirements (even though this does not seem to be an obstacle in Chicago); and

(5) Train government officials who monitor ESG in more depth about homeless provider operations.

CHAPTER 9

EMERGENCY SHELTER GRANTS PROGRAM EVALUATION

SITE PROFILE: CORPUS CHRISTI, TEXAS

9.1 Site Overview

Corpus Christi, Texas (population 268,000) is located on the Gulf of Mexico, approximately 140 miles southeast of San Antonio and 140 miles north of Mexico.[1] During the 1950s, the population increased 55 percent; during the 1980s, the rate slowed to 11 percent.[2] The Corpus Christi area suffered major losses in high paying jobs in the oil and gas industries during the early 1980s,[3] and the number of jobs in lower paying service industries has only increased by 7.8 percent, which is less than the growth rate of the city.

The Coastal Bend area of Texas includes five counties and the city of Corpus Christi. An assessment of the area's needs, begun in December 1990 (and conducted and paid for by United Way) offers detailed information concerning the area's socio-economic characteristics, demographics, community needs, and strategies to meet these needs. Both the Comprehensive Housing Affordability Strategy (CHAS) and the assessment, entitled Project Compass, provide general information regarding the homeless population as well as the segments of the population at greatest risk of becoming homeless. Based upon extensive research including surveys, public hearings, and literature, Project Compass concluded the following:

- ***Background facts:*** Approximately 18 percent of the population in Texas lives below the poverty level; in the Coastal Bend area, it is 25 percent. Single women with young children spend 50 to 80 percent of their income on housing. The dropout rate in grades seven through twelve in the Coastal Bend area was more than five percent. More than 57,000 people are "illiterate" in the Coastal Bend area. Unemployment averages 7.3 percent; for Hispanics and blacks, however, it is 8.6 percent and 13.3 percent, respectively.

---

[1] *Corpus Christi Comprehensive Housing Affordability Strategy (CHAS)*, October 1991 to September 1996. Corpus Christi Department of Community Development, p. 2.

[2] *Ibid.*, p. 14.

[3] *Ibid.*, p. 34.

- ***Causes of homelessness:*** The leading causes were the lack of affordable housing and health care, underemployment, early release prison programs, increasing numbers of single-parent families, and increasing number of high school dropouts.[4] A further cause was that, in 1978, seven percent of the federal budget funded assisted housing; in 1990, only seven tenths of one percent funded assisted housing.

- ***Facts about homelessness:*** Families, especially single women with children, are the fastest growing homeless population segment. Approximately 33 percent of the people living in homeless shelters were employed part- or full-time. Close to 20 percent of shelter residents were children, 60 percent of whom were less than six years old. Child care is offered to only five percent of the homeless population who are eligible to receive it in Corpus Christi.'

Research prepared by Metro Ministries, a Corpus Christi organization that has been serving the homeless since 1983, indicates that the population of homeless men, women, and children in Corpus Christi is between 3,000 and 3,500. (The city used the Metro Ministries data along with that of other service providers and shelters to document the characteristics of the homeless population in the CHAS. Additional statistical information is included in the Appendix to Chapter 9, at the end of this volume.

According to service providers and city and shelter staff interviewed for this case study, the city saw an increase in the number of homeless women and children being served (17 and 15 percent respectively) between 1990 and 1991. More battered women and mentally ill persons have been requesting services over the past few years as well. According to Metro Ministries, an estimated 28 percent of the homeless population suffers from mental illness, and at least 750 mentally ill persons are on the streets. Shelter can be provided for only 10 percent of this population. The warm weather in the Coastal Bend area is believed to attract the homeless. In the winter months, the population also increases because of financial hardship associated with the holidays.

Health problems are significant concerns for the homeless population, particularly tuberculosis, HIV/AIDS, and infectious diseases such as red measles. Many of the homeless in the area are Hispanics who do not receive proper immunizations. As a result of an outbreak of the red measles last year, one of the service providers was quarantined for three months.

[4] *Project Compass: Final Report.* September 28, 1992. Prepared by the United Way of Coastal Bend and the United Way of Texas, pp. 6, 9, 20.

Since then, a program to require immunizations has been instituted along with stricter screening, but this has only had limited success due to the transiency of some of the clients.

To meet some of the needs of the homeless, the CHAS identifies 450 available beds in four area agencies and eight single-room occupancy (SRO) beds.[5] Area agencies also provide nine detox beds, one residential bed, 338 outpatient slots for adults, and six residential beds for youth but Project Compass information indicates the need far exceeds the availability. The area still needs 18 detox beds, 112 residential beds, 59 long-term care beds, and 985 out-patient slots.[6] (There are currently no long-term care beds available.)

Project Compass identified the lack of affordable housing as a major cause of homelessness. According to the service providers, apartment rents without utilities are as follows:

Number of Bedrooms	Rents
1 bedroom	$185-332
2 bedroom	$200-450
3 bedroom (difficult to locate)	$350-554

Based upon an annual income of $15,800 for a family of three (HUD's "very-low income" figure), the contract rents charged for a three-bedroom unit would cost between 25 percent and 42 percent of monthly gross income. Utility bills would raise this figure. Adding day care expenses of $2,500 per year would increase monthly expenses to between 42 percent and 58 percent. The remaining income would pay for food, clothing, transportation, health care, and other necessary expenses.

Emergency Shelter Grants Program (ESG) agencies that were consulted during the site visit to Corpus Christi included the following:

- City of Corpus Christi Department of Community Development (the grantee agency);
- Dos Mundos Day School (ESG-funded provider);

---

[5] *CHAS*, pp. 54, 55.

[6] *Project Compass*, p. 15.

- The Women's Shelter (ESG-funded provider); and
- Metro Ministries (ESG-funded provider).

9.2 Program Description

The ESG Program in Corpus Christi is administered by the city's Department of Community Development (DCD) because DCD also administers the Community Development Block Grant (CDBG) program. During FFY 91,[7] the city allocated $85,000 of its total grant amount of $89,000 to two provider agencies, Dos Mundos Day School and Metro Ministries, retaining $4,000 for administration. Both agencies had received ESG funding in the past. Dos Mundos Day Center is a private, nonprofit day care center, and Metro Ministries is a private, nonprofit shelter that also operates a number of other homeless assistance programs. In addition, a visit was made to one provider, The Women's Shelter, that received ESG funds in FFY 90. This is also a private, nonprofit organization operating a shelter and other nonresidential programs.

Corpus Christi has a total of six shelters and one service provider; two shelters and the service provider were interviewed during the evaluation site visit. Three shelters serve men, two serve single women and women with children, and one serves mentally impaired women and families. Metro Ministries serves a total of twenty-eight chronically mentally ill men and women, and the Salvation Army serves up to 12 severely mentally ill (SMI) women. Exhibit 9.1 provides information concerning the characteristics of each of the three agencies selected for this study.

Since it was founded in 1968, ***Dos Mundos Day School*** has provided day care for infants and children to age 10 years, and other services to their parents, including nutrition and health care, daily living skills, housing referrals, and transportation. Their clientele consists of the children of homeless parents living at one of the shelters who are referred to Dos Mundos as ESG-eligible individuals, as well as other children from families who are not homeless. The length of stay for the homeless children ranges from one day to three weeks, the longer stays occurring when a parent is trying to become self-sufficient, for example, by enrolling in school or a job training program.

---

[7] The fiscal years pertaining to federal allocations of ESG funding are labelled FFY (Federal Fiscal Year), to distinguish from the fiscal years of the agencies receiving ESG grants.

Exhibit 9.1

Emergency Shelter Grants Program
Characteristics of Cropus Christi, Texas Providers

Provider Characteristics	Selected Providers in Corpus Christi, Texas		
	Dos Mundos Day School	The Women's Shelter	Metro Ministries
Type of Organization	Private, nonprofit agency	Private, nonprofit agency	Private, nonprofit agency
Year Begun	1968	1977	1983
Year Began Serving the Homeless	1989	1977	1983
Populations Served	Children 6 months - 13 years old (majority under 4) from homeless and other families	Battered single women and women with children	Single women and women with children; families and single men with physical and mental impairments; abused children
History of ESG Funding FFY 87S FFY 88 FFY 89 FFY 90 FFY 91	 $ 4,256 0 0 17,000 30,000	 $ 0 0 0 28,800 0	 $ 52,700 10,000 0 45,200 55,000
ESG-Supported Activities	FFY87S: Essential Services FFY90: Operations and Essential Services FFY91: Renovation, Operations and Essential Services	FFY90: Renovation and Operations	FFY87S: Renovation and Operations FFY88: Renovation FFY90: Renovations, Operations, and Essential Services FFY91: Operations and Essential Services
Other Activities Serving the Homeless	Essential Services	Hotline; non-resident counseling; essential services; outreach services	Transitional housing; essential services; counseling; health clinic; food kitchen

Exhibit 9.1, continued

Provider Characteristics	Selected Providers in Corpus Christi, Texas		
	Dos Mundos Day School	The Women's Shelter	Metro Ministries
Total FY 91 Budget[1] and Percent from ESG	$270,571 11%	$348,149 0[2]	$734,651[3] 7.5%/10.8%[4]

[1] Cash budget for homeless activities, for the year in which FFY 91 ESG funding was received.

[2] Not funded in FFY 91; received $28,800 in FFY 90 (roughly 8% of budget).

[3] Budget figure includes in-kind contributions.

[4] Larger figure includes both Corpus Christi and State of Texas ESG funds.

In FFY 87S, Dos Mundos used ESG resources to pay for essential services. In FFY 90, the funds were used for essential services and operations. During 1991, the agency served 203 ESG-eligible clients for a total of 701 days of care, with $6,500 in FFY 91 ESG funds used to purchase beds, linens, and air conditioning equipment; $16,000 used to provide infant and toddler care services; and $7,500 used to restructure space to accommodate additional children. Dos Mundos also received a Child Care Management Services Block Grant from the U.S. Department of Health and Human Services and funds from the U.S. Department of Agriculture for the food program. In FFY 91, ESG resources represented approximately 10 percent of the agency's total cash budget. There is a continuing need for ESG funds for toddler care and essential services.

The ***Women's Shelter***, founded in 1977, began operation by providing a hotline service to battered women, the first in the country to do so. Today, this organization operates an emergency 24-hour shelter and a hotline for victims of domestic violence. It also provides mental health counseling and referrals to health and dental care, legal aid, entitlement benefits, and permanent housing. In addition, nonresident services are offered in the areas of women and childhood counseling. Finally, the Women's Shelter operates an outreach program in several rural counties to assist victims of crime. The staff estimates that there has been an increase of at least 20 percent in the number of calls each year. On average, the agency has 25 beds available for women and women with children. Each year, 600 persons are provided with essential counseling services, including employment assistance, medical care, and substance abuse treatment. The average length of stay at the shelter is based upon a person's individual needs and ranges from 10-14 days to 30-45 days. In 1990, there was a waiting list of 159 women and 198 children.

The Women's Shelter received its only ESG grant in FFY 90. Of the $28,800 total, $16,800 was used for operational expenditures, including maintenance and repair of building and fences, insurance, utilities, transportation, and purchase of air conditioning equipment. The remaining $12,000 was used to reconstruct space for storage and laundry facilities. In addition to ESG funding, the Women's Shelter received U.S. Department of Justice funds for the Crime Victims Assistance Program; Federal Emergency Management Agency (FEMA) funds for the Food, Shelter and Family Violence Prevention program; U.S. Department of Agriculture funds for the Commodities Program; and federal CDBG funds for rehabilitation. The Women's

Shelter did not reapply for ESG funding in FFY 91. Staff indicate that ESG funds will be needed in the future for essential services (counseling) and operations (facilities maintenance).

The third Corpus Christi provider, ***Metro Ministries***, is an umbrella organization that administers eight programs to assist the homeless and at-risk populations. The programs include Loaves and Fishes (a free cafeteria that served 140,000 meals to 6,118 individuals in 1991) and three shelters serving various populations. Rainbow House serves single women and women with children (411 served in 1991), Rustic House serves mentally and physically impaired males (327 served in 1991), and Bethany House serves families with children (315 served in 1991).

In addition, Metro Ministries operates the Vineyard Counseling Program concerning entitlements, clothing, and medical assistance (2,546 served in 1991); the Vineyard Employment Program (served 1,099 in 1991); an Adoptive Child Abuse Case Worker Program; and the Gabbard Health Room. The ESG-supported components in FFY 91 were Rustic House, Bethany House, Vineyard Counseling, and Vineyard Employment. (See the Appendix to Chapter 9 at the end of this volume for more detailed information).

Metro Ministries first received ESG funding in FFY 87 and has been refunded each year with the exception of FFY 89. Rehabilitation supported by these grants has included work on Rustic House in 1988 and 1990. ESG monies from the state of Texas assisted the capital improvements at the shelters in 1991, paying for rehabilitation of air conditioning systems, floors, and bathrooms. The Loaves and Fishes feeding facility was also renovated and new equipment installed.

Corpus Christi has funded Metro Ministries for essential services and operations as well as rehabilitation. In FFY 91, $10,700 in ESG funds was used for employment assistance, medical care, substance abuse counseling, case management, and other essential services, and $44,300 for operational equipment and furnishings (beds, lockers, ceiling fans, couches, and chairs). The Supportive Housing Demonstration Program and FEMA resources supported other major program efforts. The Corpus Christi ESG resources represented approximately 7.5 percent of the total budget for Metro Ministries in 1991; counting the state of Texas monies, the proportion was 10.8 percent. In the future, the agency will need ESG resources for rehabilitation work, to provide an SRO living environment in shelter space that is currently without walls in the sleeping area.

9.3 Implementation

The Corpus Christi DCD administers the CDBG, ESG and HOME programs. The city does not use local resources to assist the homeless or at-risk populations, and there are also no state resources. All the funds are from the federal government.

Department of Community Development has a separate application process for the ESG resources. The department relies upon public information, including publicizing the funding availability in local newspapers and at the public library, and also sends notices to former ESG-funded providers. This department is also responsible for preparing the CHAS that outlines the needs of various population segments and the strategies and resources to meet those needs. The process requires a comprehensive written application. Once the applications are reviewed, taking into account recommendations of advocates for the homeless as well as the priorities established in the CHAS, the staff prepares its recommendations for the department's review prior to going before the City Council, which makes the final funding decisions.

With the exception of funds to pay for its administration, the grantee has allocated 100 percent of its resources directly to service providers rather than through an intermediary recipient. They do not plan to change this system. In the future, the city will consider using CDBG and HOME resources "in conjunction with local and private funds to provide additional housing such as single room occupancy and single family transitional housing . . . with special emphasis . . . [toward] the frail elderly, persons with disabilities and . . . battered women and runaway youth."[8]

The city has no formal, coordinated homeless assistance program. Instead, the service providers use informal communication to determine if specific assistance and services are available to aid their clients. One agency provides formal case management for homeless persons called the Human Investment System. This appears to be the only centralized agency in the area. The mayor instituted a Commission for the Homeless to bring the providers together to discuss overall planning strategies or problems, but meetings are no longer held.

Exhibit 9.2 shows the history of ESG allocations to Corpus Christi and the percent distribution among the eligible categories. During the first funding year, FFY 87S, a majority of resources (67 percent) were provided for operations. In FFY 88 and 89, the focus changed to conversion/renovation/rehabilitation. During these years, rehabilitation was funded at 100

[8] *CHAS*, pp. 12.

Exhibit 9.2
ESG Funding History and Match Sources:
Corpus Christi, Texas

		C/R/R	OPS	ES	HP	AD	TOTAL
History of ESG Funding	FFY 87S	$ 11,150	$ 41,550	$ 9,300	N/A	N/A	$ 62,000
	FFY 88	10,000	0	0	N/A	N/A	10,000
	FFY 89	36,200	13,800	8,000	$ 0	N/A	58,000
	FFY 90	19,000	53,800	18,200	0	N/A	91,000
	FFY 91	7,500	50,800	26,700	0	$4,000	89,000
Percent Distribution of Funds Over Time	FFY 87S	18%	67%	15%	N/A	N/A	100%
	FFY 88	100	0	0	N/A	N/A	100
	FFY 89	62	24	14	0%	N/A	100
	FFY 90	21	59	20	0	N/A	100
	FFY 91	8	57	30	0	5%	100

	PROVIDER/ACTIVITY		SOURCE	LEVEL
Matching Funds for ESG Allocations	DMDS	O, ES, C/R/R	Contributions from foundations; Federal (CDBG, HHS, Department of Agriculture) Child Care Management Services Block Grant; contributions from individuals	Provider
	WS	O, ES	Federal (FEMA, Department of Justice, Department of Agriculture); United Way	Provider
	MM	O, ES	Federal (SHDP, FEMA); contributions from foundations, businesses and individuals	Provider

KEY: C/R/R=conversion, renovation, rehabilitation; OPS=shelter operations; ES=essential services
HP=homelessness prevention; AD=administration; DMDS=Dos Mundos Day School
WS=The Women's Shelter; MM=Metro Ministries
N/A=Not Applicable—HP not separate from ES until FFY 89; AD not eligible activity until FFY 91.

percent and 62 percent, respectively. In the fourth and fifth years, FFY 90 and 91, the main focus shifted back to operations, although the percentage provided for essential services increased. At no time has funding been allocated for homelessness prevention, despite recent recommendations in the Project Compass study and from some of the service providers, that this category receive support. At the time of the ESG site interviews, the DCD planned to focus more of its CDBG funds on rehabilitating homeless shelters and service centers, while still using its ESG funds for essential services and operations rather than homelessness prevention.

Exhibit 9.2 also shows the matching funds by source, type, and level for the ESG allocations to the three selected providers. In all cases, the dollar amount from other sources far exceeded the amount of the ESG grants.[9] The matches are made at the provider level and are listed for each of the ESG supported activities as well as the other activities that are performed by each provider. ***There are no state or local city funds committed for homeless assistance in Corpus Christi.*** Therefore, federal resources play a substantial role in homeless assistance programs, along with contributions made by local citizens, businesses, and foundations. FEMA, the Departments of Health and Human Services, Agriculture, and Justice, and HUD's Supportive Housing Demonstration Program (SHDP) and CDBG programs provide resources for the homeless, primarily in the areas of food, essential services, and rehabilitation. Contributions from individuals and foundations play a major role in operations, rehabilitation, and (to a lesser extent) essential services.

At the present time, there appears to be a need for additional emergency night shelters and services for families, severely mentally ill men and women, and adolescent boys and girls. The grantee also believes that the number of battered women who require safe housing is increasing. Each of the shelters stated that their relationship with the local housing authority was good, but that there were not enough subsidized units or Section 8 vouchers to meet the needs of their clients. The grantee is committed to increasing the amount of rental assistance resources from its HOME allocation.

Although many services were provided by those agencies interviewed, there were some gaps, especially in the areas of medical and dental care, homelessness prevention, and repair and maintenance of shelters. One of the providers sees a need for a more centralized system for providing services. According to this service provider, the distances among the many agencies

---

[9] See Exhibit 9.1 for ESG's share of the providers' budgets.

providing the services create a serious hardship for most of the homeless, who do not have access to transportation. It was suggested that a one-stop shop be established to bring the services to those who have the most need and the fewest resources. (Each of the service providers interviewed stated that, although there was a good public transportation system, it was not adequate to meet the needs of the homeless; each agency had to provide transportation for its clients.) In addition, one provider recommended that a common intake form be used by all of the agencies, to reduce paperwork. The intake form could then be fed into a computer network, giving each provider access to all necessary information about the clients and services. It was also recommended that one case manager, rather than several, be assigned for each client.

9.4 Impact

The staff of Metro Ministries has found it very difficult to obtain sufficient resources to rehabilitate the agency's facilities. For them, the ESG funds provide critical resources needed to meet local and federal code and handicapped accessibility requirements. Many times, the labor for the rehabilitation is donated, but the required materials are costly. As a result of ESG resources, the quality of life in these two shelters was improved, because new beds and other furniture and appliances were purchased, air conditioning was installed, and the bathrooms were upgraded. In addition, the feeding facility was renovated, and new equipment was purchased at substantial savings.

The Women's Shelter staff indicated that the ESG resources enabled them to pay for operations, maintenance, and repair of their property. Since this provider obtains other resources for essential services, the ESG funds enabled them to use their other contributions to serve more clients.

Dos Mundos Day School has received ESG resources at various times for operations, essential services, and rehabilitation. According to the staff, the ESG resources were a critical factor in their ability to buy kitchen appliances so they can prepare food for the children, to reconfigure the facility to accommodate infants and toddlers, and to hire adequately trained staff to provide essential services to more children.

The following were identified as factors that influenced the ability of the agencies to match the services they offered with the needs of the population:

- The level of professional training of the service provider/shelter staff;
- The amount of time available per client;
- The resources available to purchase needed services;
- The willingness of the community to meet the needs identified;
- The willingness of the city to fund needed activities, such as essential services rather than the more tangible bricks and mortar, which seem to be their priority; and
- The absence of state funding and support.

Corpus Christi service providers recommended that HUD standardize all of its forms for the various homeless programs. In addition, they suggested that the federal government provide one single listing of federal resources and eligible activities, in clear, concise language (not the language used in the *Federal Register*). They recommended that HUD provide comprehensive training to the city staff concerning developing effective strategies and plans for the use of ESG resources; setting realistic program goals; and identifying eligible program activities and requirements, areas of flexibility, and the strategies for the efficient use of program funds. Early in the funding cycle, HUD should identify the information service providers need to collect about clients and provide training to the service provider staff on efficient service delivery strategies and ways to deal with troubled clients. Those interviewed said that they would benefit from a regionwide gathering of service providers involved in ESG to share ideas, concerns, and strategies.

CHAPTER 10

Emergency Shelter Grants Program Evaluation

SITE PROFILE: New Orleans, Louisiana

10.1 Site Overview

Travel guides describe the city of New Orleans as a "must-see," "worth-a-side-trip" city for vacationers. Long known for its jazz and unique style of cooking, this is a city that is also described as having a relaxed attitude toward differences in life styles, drinking, and dress. Since the 1984 World's Fair, its draw for tourists and conventions has grown. However, the city's Comprehensive Housing Affordability Strategy (CHAS) shows the total population was 496,938 in 1990, a loss from the 1980 Census figure.[1]

The CHAS focuses on the serious lack of decent, affordable housing in New Orleans.[2] As a result of the 1984 World's Fair and subsequent redevelopment, there are no single-room occupancy programs or facilities available in the city.[3] Close to 40 percent of the housing stock was built before 1940, and at least 64,000 persons live in substandard units. According to the CHAS, "the housing problem of New Orleans can be summed up as an abundance of sub-standard and deplorable housing units that continue to deteriorate."[4] The economy in New Orleans was dependent, in part, on the oil industry, which laid off large numbers of employees starting in 1983. The area's economy went flat after that, and, since that time, many persons have simply walked away from their homes, moving to the suburbs where they can find safer neighborhoods. Hundreds of vacant properties are available from HUD, the VA, and the Resolution Trust Corporation (RTC).

The rents in the city are high considering the poor condition of the units and are not affordable to low-income people. Most of the jobs created in New Orleans over the last ten years are in service industries, where pay is often around $4 per hour—a rate that translates to

---

[1] *City of New Orleans Comprehensive Housing Affordability Strategy (CHAS), October 1991 to September 1996*. New Orleans Office of Housing and Urban Affairs, p. 9.

[2] *Ibid.*, p. 10.

[3] *Ibid.*, p. 14.

[4] *Ibid.*, p. 27.

$160/week or $8,320/year. People who are able to work and locate employment are thus spending between 33 percent and 72 percent for rent. Add to this $2,500 in day care expenses on average, and the percentage of income for rent and day care increases to between 63 and 100 percent.

In 1990, 21,470 evictions were filed in the city. With a Section 8 waiting list of more than 3,686 names, the waiting period is 12 to 18 months or longer. The limited availability of decent units, coupled with unaffordable rents, paints a picture of hopelessness for much of the population. According to a study completed in April 1990 by the Rudegeair Group, a minimum of 7,858 persons in the New Orleans area were homeless.[5] Some 8,291 homeless persons sought medical care from Health Care for the Homeless in 1990.[6] Health-related problems among the homeless population include an increase in the incidence of AIDS, mental illness, alcoholism, respiratory infections, tuberculosis, venereal diseases, and childhood diseases that occur with malnutrition and lack of immunizations. For children, illnesses can result in high absenteeism at schools. For adults, lack of employment and poor health often results in depression.

The characteristics of New Orleans' homeless population have been changing. Since 1983, the number of families and female-headed households with children has increased. In addition, more than half the single men (who represent 56 percent of the homeless population) are between the ages of 18 and 40; in earlier years the majority were over 45 years old. The warm weather may attract homeless persons to the area in the rainy and winter months, but the majority of the homeless are local. Because of recent plant closing announcements from Martin-Marietta and other employers, the homeless population is expected to increase soon.[7]

During the site visit to New Orleans, representatives from the following organizations involved in the Emergency Shelter Grants Program (ESG) were interviewed:

- New Orleans Division of Urban Affairs (the grantee agency);
- Recovery Works (ESG-funded provider);

[5] *Ibid.*, p. 9.

[6] *Ibid.*, p. 11.

[7] Additional statistics are presented in the Appendix to Chapter 10 at the end of this volume.

- Salvation Army (ESG-funded provider); and
- Associated Catholic Charities (ESG-funded provider).

10.2 Program Description

The Urban Affairs Division (UAD) within the New Orleans Office of Housing and Urban Affairs has administrative and monitoring responsibilities for all social service programs, including homeless assistance, Community Development Block Grant (CDBG), and Housing Opportunities for Persons With AIDS (HOPWA). As the grantee, the UAD uses a formal Request for Proposals (RFPs) process to allocate all the ESG funds directly to private, nonprofit agencies and the city's Welfare Department. The Welfare Department acts as a provider of homeless assistance directly to homeless and at-risk families and individuals, in the form of homelessness prevention for rent, mortgage and utility assistance. Federal Emergency Management Agency (FEMA) funds are also distributed to the Local Recipient Board, for allocation to eligible agencies. These resources fund some of the same activities as the ESG, but the city does not control the FEMA allocation and cannot prevent overlap and duplication from occurring.

For the ESG's FFY 91[8] funds, New Orleans UAD allocated its total $348,000 grant among ten provider agencies. Of the ten, six had received ESG funding before. Of the six, two were interviewed for this evaluation: the Salvation Army and Associated Catholic Charities. The third agency described here, Recovery Works, was funded for the first time in FFY 91. Exhibit 10.1 summarizes the characteristics of these three New Orleans providers.

Recovery Works started its independent operations and began serving the homeless in 1988. All segments of the homeless population are assisted, with the exception of the mentally ill, because they require medical skills the Recovery Works staff does not possess. Recovery Works does not take homeless persons directly off the street. All clients must be referred to the agency by the Homeless Service Center or by a company's Employee Assistance Program. Recovery Works does not provide just an overnight shelter but an array of services. Most homeless persons are required to make a long-term commitment (a minimum of six months),

---

[8] The fiscal years pertaining to federal allocations of ESG funding are labelled FFY (Federal Fiscal Year), to distinguish from the fiscal years of the agencies receiving ESG grants.

Exhibit 10.1

Emergency Shelter Grants Program
Characteristics of New Orleans, Louisiana, Providers

Provider Characteristics	Selected Providers in New Orleans, Louisiana		
	Associated Catholic Charities Care Center	Salvation Army	Recovery Works
Type of Organization	Private, nonprofit agency	Private, nonprofit agency	Private, nonprofit agency
Year Begun	1984	1885	1988
Year Began Serving the Homeless	1984	1885	1988
Populations Served	Single women and women with children	Single men and women; single parent families	Single men; single women; single parent and two parent families; recovering substance abuse persons
History of ESG Funding			
FFY 87S	$57,000	$44,000	$ 0
FFY 88	0	0	0
FFY 89	50,000	46,000	0
FFY 90	40,000	40,000	0
FFY 91	31,680	50,500	30,800
ESG-Supported Activities	FFY 87S-91: Operations; FFY 87S, 89: Essential Services	FFY 87S-91: Operations; FFY 89, 91: Essential Services	Renovations, Operations
Other Activities Serving the Homeless	Case management, savings program, meals, after-care	Life skills training, food, medical care, day care, camp, adult rehabilitation	Life skills and job training programs, substance abuse treatment, family counseling
Total FY 91 Budget[1] and Percent from ESG	87,492[2] 36%	1,266,004 4%	257,400

[1] Cash budget for homeless activities, for the year in which FFY 91 ESG funding was received.

[2] Budget figure includes in-kind contributions.

when they are admitted, to work through their problems. The admissions policy also requires clients to be sober. Overall, clients are assisted in a variety of ways, from substance abuse counseling to living skills and job training programs. At the present time, Recovery Works serves 112 persons, including 45 single males, two single females, six females with children, one male with a child, and eight two-parent families.

Recovery Works received its first ESG grant in FFY 91 in the amount of $30,800; of this $19,300 was used to rehabilitate housing units, and $11,500 was used for operating costs (including insurance, equipment, and utilities). Other resources are spent on a variety of activities to help homeless clients become financially able to rent a rehabilitated apartment from Recovery Works or even become a homeowner. To date, one formerly homeless person has obtained a conventional mortgage to purchase a home renovated by Recovery Works' clients. The program will be offering two additional properties for homeownership over the next 12 months.

The New Orleans Salvation Army, also an ESG-funded provider, was founded 107 years ago. It serves all populations except those who are intoxicated, active substance abusers, or the mentally ill. A national nonprofit corporation, the Salvation Army territory area that has jurisdiction over the New Orleans agency is based in Atlanta, Georgia.

Like Recovery Works, the Army has a strict admissions policy. Although clients are taken directly from the streets, no one under the age of 18 is admitted. Sobriety is required, and persons must have some form of identification, which can be difficult for a homeless individual to obtain in New Orleans (the city requires multiple verification documents, including a birth certificate with the state's seal to qualify for an identification card). Health examinations for TB are required for those who remain longer than three to five days. In 1991, the Army assisted 54,000 clients, with an average stay of three to five days.

Like most other shelters in New Orleans, the Salvation Army facility is not able to accommodate families. However, the Army has an ambitious expansion effort underway to enable sheltering of intact families and to provide long-term problem resolution services. This new focus includes transitioning clients from basic shelter through a job training program.

The Salvation Army runs a number of programs to assist the poor and homeless in New Orleans, including a community center, summer camp, day care center, disaster service unit, hospital visiting program, meals program, life-skills training, recovery planning, missing persons bureau, and a gift-giving program. In FFY 87S and FFY 90 the Army used ESG resources for operations only. In both FFY 89 and 91, ESG funded operations and essential services. The $50,500 ESG funding the Salvation Army received in FFY 91 enabled the agency to purchase furniture for the women's shelter, including beds with 5-year warranties, lamps, a walk-in cooler, and dining tables and chairs.

The Associated Catholic Charities (ACC) CARE Center program opened in March 1984, in response to the growing number of homeless single women and women with children. The admissions policy requires a client's commitment to work on improving her own situation. The agency served 348 clients in 1991, with a length of stay averaging three to six months. The ACC CARE Center has been serving single women with children in New Orleans since 1984. From the beginning, ACC's approach has included comprehensive case management, with a goal of permanent housing and self-sufficiency. The agency also offers clients a savings program, meals, parenting skills, after-school care, clothing, substance abuse counseling, individual and family counseling, assistance with housing and employment, and emergency 24-hour services. Over the past two years, ACC used its $40,000 FFY 90 and $31,680 FFY 91 ESG grants to pay for operations costs, including rent, utilities, telephone, and maintenance. Prior to that time, they used the resources for operations and essential services.

10.3 Implementation

The city of New Orleans' long-term strategies for meeting the problem of homelessness have included focusing activities and funding toward preventing homelessness and upgrading the physical quality of the shelters. These strategies have undergone some recent change, with more emphasis on homelessness prevention and somewhat less on rehabilitation. But in all years, half the ESG funding has gone to support shelter operations.

The Urban Affairs Division not only handles ESG, but all other community development and social service programs, including four day care centers, a senior citizen service center, and programs geared toward drug prevention and treatment, teenage pregnancy prevention, and literacy. UAD has coupled ESG resources with CDBG funds to provide the rehabilitation and prevention funds needed to reach the city's goals regarding the homeless. Because of the statutory limitation on the use of ESG funds for homelessness prevention, UAD seeks to allocate the maximum for prevention before allocating to other activities. Unless the needs in the area change, the grantee plans to continue with the present selection process and allocate resources only for homelessness prevention or operations.

The grantee's allocation strategy encourages applicants to ask only for the amount that they need and know they can spend, a strategy that has worked well. The city plans to continue to remind applicants that they must spend the amount they receive or risk the loss of resources. According to city officials, some of the smaller agencies that serve 30 to 40 persons tend to be more successful in spending their ESG resources in an effective and timely way.

Currently, New Orleans is considering limiting the number of providers funded with ESG monies, especially since the amount available is less than in previous years and will probably continue to decline because the city's population has declined below the entitlement level of 500,000 (a fact that is in dispute). There does not appear to be an excess of resources available for the homeless. Even now, the grantee also uses some of its CDBG funds to assist the homeless, especially in the area of rehabilitation.

Efforts to coordinate homeless assistance information are conducted by the Mayor's Homeless Advisory Task Force. In addition, a local Coalition for the Homeless has been in existence for some time. Yet overall, city officials felt that the system for providing shelter for the homeless has not been well coordinated. A new homeless coalition is in the early stages of formation. Its board membership consists of many of the same homeless providers as the Mayor's Task Force and the local coalition. This new organization, called Unity, is receiving financial commitment from the mayor and the active support of the UAD staff. This coalition's role will be to coordinate homeless program information and client services by establishing a management information system. The grantee believes that the on-line management information system concerning homeless services and provider information that Unity will coordinate will help prevent any overlap with the FEMA resources. Duplication in the services funded may occur, but with the continuing poor economic outlook, some duplication may be necessary to meet increasing needs.

Although all of the providers interviewed believed that coordination of services was needed, each stated that the grantee staff already meets with them, on an ongoing basis, in their capacity as members of homeless task forces, coalitions, and advisory groups. At these meetings, there is discussion about strategies to match the needs of the homeless population to the services available. The providers' main source of awareness of other activities and funding concerning the homeless was these gatherings, as well as the RFP process.

Exhibit 10.2 shows the history of ESG allocations to New Orleans and the distribution of funds among eligible activity categories. During the first four years, 31 percent of all the funding ($164,500) was used for conversion/renovation/rehabilitation and 57 percent for operations ($307,100). Beginning in FFY 90, the emphasis for allocating ESG shifted from capital funding to operations (68 percent) and homelessness prevention (25 percent). In FFY 91, the funding for homelessness prevention increased slightly. Essential services spending has remained at 15 percent or less. Throughout its history, New Orleans has continued to allocate at least one half of its ESG resources for operations. The grants awarded during the first three funding rounds included the following mix: operations = 4 grants; essential services = 4; conversion/rehab = 2; homelessness prevention = 0. During the last three rounds, the mix shifted, as follows: operations = 18 grants; essential services = 6; conversion/rehabilitation = 2; homelessness prevention = 6.

Exhibit 10.2 also provides information concerning the sources of matching funds for the three ESG service providers visited in New Orleans. The match must be made at the provider level, because *neither the state nor the city have resources for homeless assistance activities other than federal CDBG funds*. Two of the providers used United Way resources plus private and in-kind contributions to match the ESG monies for operations and essential services. The third provider, Recovery Works, used private contributions and income from fees and its Sheltered Workshop renovation business venture to match the ESG funding for rehabilitation; contributions and rental income matched ESG operations funding.

The ESG resources enabled Recovery Works and the Salvation Army to serve more homeless people by providing more beds and expanding their services staff. However, according to the CHAS, there continues to be a gap between the number of emergency shelters and the amount of available transitional and permanent housing. Additional emergency shelters are needed for homeless people who are active drug or alcohol users, are chronically mentally ill, or who need respite care following hospitalization. Homeless families need both emergency shelter and transitional housing.[9] At present, families are usually split apart; fathers with sons under the age of 18 are referred to other agencies.

---

[9] *Ibid.*, p. 13.

Exhibit 10.2
ESG Funding History and Match Sources:
New Orleans, Louisiana

		C/R/R	OPS	ES	HP	AD	TOTAL
History of ESG Funding	FFY 87	$ 0	$39,950	$7,050	N/A	N/A	$ 47,000
	FFY 87S	75,000	124,000	35,000	N/A	N/A	234,000
	FFY 88	57,000	0	0	N/A	N/A	57,000
	FFY 89	52,500	143,150	21,350	$ 0	N/A	217,000
	FFY 90	0	234,200	22,500	85,300	N/A	342,000
	FFY 91	25,800	174,285	48,965	98,950	$ 0	348,000
Percent Distribution of Funds Over Time	FFY 87	0%	85%	15%	N/A	N/A	100%
	FFY 87S	32	53	15	N/A	N/A	100
	FFY 88	100	0	0	N/A	N/A	100
	FFY 89	24	66	10	0%	N/A	100
	FFY 90	0	68	7	25	N/A	100
	FFY 91	7	51	14	28	0%	100

	PROVIDER/ACTIVITY		SOURCE	LEVEL
Matching Funds for ESG Allocations	RW	OPS, C/R/R	Private contributions: 40% from businesses and patrons; 20-30% fees; 30% income from Sheltered Workshop; rental income	Provider
	SA	OPS, ES	Private contributions; in-kind services; United Way; Government	Provider
	ACC	OPS, ES	United Way; in-kind services	Provider

KEY: C/R/R=conversion, renovation, rehabilitation OPS=shelter operations ES=essential services
HP=homelessness prevention AD=administration
RW=Recovery Works SA=Salvation Army ACC=Associated Catholic Charities
N/A=Not Applicable—HP not separate from ES until FFY 89; AD not eligible activity until FFY 91.

In partial response to the critical needs of the homeless, city officials developed a "Freeze Plan." Any homeless person can receive shelter free of charge when the wind chill or temperature drops below a certain level or when the city declares emergency shelter is needed. Public Service Announcements are made on local television and radio stations on the nights when the plan is put in effect. All providers are aware of the plan and cooperate.

In addition to shelter, the grantee agreed that health care is a critical service for this population. New Orleans has a health care clinic for the homeless, which the grantee feels generally meets the needs. However, according to the service providers interviewed, the clinic does not operate 24 hours a day or on weekends, and it does not provide emergency care for families or the Severely Mentally Ill (SMI) population; therefore, it does not adequately meet the needs of the homeless population. In addition, another common theme running through the New Orleans homeless providers' interviews is the continuing need for job training services for unemployed and unskilled homeless persons.

The providers agreed that comprehensive assistance programs are needed to achieve the long-term goal of stabilization in permanent housing. A critical step in achieving this goal is preparing persons to move from an emergency shelter to transitional and then permanent housing. According to one service provider, families especially need help in "getting their lives in some type of order." A continuum of care is needed for families that includes education, job search assistance, affordable decent housing, case management, client tracking and a drop-in center with services.

Most times, the specialized programs do not meet the needs of the recovering alcoholics or substance abusers because these clients have multiple and complex problems, and the present programs do not focus on meeting all of their needs. Neither are critical services available for the mentally ill or those who need respite care; permanent housing alone is not the answer to their multiple problems. Throughout the discussions with New Orleans service providers, the same unmet goals were articulated: long-term, safe, affordable housing, with supervision to put people and keep people on the right track, coupled with medical care to provide prevention and treatment of disease.

According to providers, other elements of a successful, comprehensive program for the homeless would include: free shelter for all groups; outreach and case management; food and education; life skills training; employment training, centralized job bank, and work monitoring system; client identification and tracking; and a drop-in center with services. These services are not now available in the quantity that is needed by the homeless people of New Orleans. Yet even case management is a service most providers strive to offer but find they must compromise, by having staff perform multiple functions or roles. According to one service provider, the health clinic does not remain open enough hours to serve the present homeless population. There are simply not enough resources.

Efforts to coordinate with the public housing agency in New Orleans have been somewhat successful for at least one of the providers. However, the PHA's waiting list is very long, and it has a large number of vacant and deteriorated housing units—a point that was made in the CHAS. Another service provider had no relationship with the PHA and expressed frustration concerning the number of vacant and substandard units within the PHA's control. The third provider also expressed concern about the large number of vacant and substandard PHA units, but admitted not knowing enough about the constraints the PHA and city face each day to comment on their performance.

10.4 Impact

For Recovery Works, ESG funds have made it possible to increase the quantity and quality of shelter and services to homeless clients by replacing a roof, purchasing an air conditioning unit, and renovating vacant structures. These funds also enabled the agency to teach formerly homeless individuals basic carpentry skills, enabling them to become employable and perform basic renovation work.

Recovery Works is looking forward to continuing to receive additional ESG funding, perhaps for operational expenses, but they realize the level of funding has been reduced nationwide. Since the goal of Recovery Works is to provide comprehensive services, they would not decrease the number of services if they lost ESG funding; rather, they would serve fewer clients.

Because the Salvation Army used its ESG resources to purchase beds and other furniture, it was able to increase the number of homeless that were provided shelter and services. In the past, the Army received a number of ESG awards for operations and essential services. Staff firmly believe that the quality of their shelter and services has changed positively as a result of ESG funding, and it has allowed them to increase the number of clients served.

Although the Associated Catholic Charities used its FFY 91 ESG resources only for operations, it has traditionally received ESG funding for both operations and essential services. These resources have enabled them to keep the doors open, maintain high-level quality services, and serve more clients. Without these resources, there is a fear that they will either have to cut back on the number of clients they serve or close altogether.

These agencies attempt to match the services they offer to the needs of the client through comprehensive information gathering during initial intake. Each of the agencies uses a personalized intake form. To obtain accurate information on a client, the intake officer must be able to identify particular problems as well as have accurate and up-to-date materials concerning services available both on-site and off-site. This last point requires emphasis, because each of the service providers is required to keep his/her own listing of services available in the area. Neither the city nor any of the homeless task force or advocacy groups maintains a comprehensive list of resources.

Other important factors that providers say affect a provider's ability to match services to the client's needs in New Orleans include:

- ***The availability of case managers*** to help maintain program and client files, avoid service duplication, and ensure that a comprehensive and well-coordinated program of services for all clients could be achieved.

- ***The availability of public transportation*** to enable clients to take advantage of services that may not be available on-site.

- ***The ability to obtain the proper form of identification*** to enable the homeless to receive services and entitlement benefits for which they would be eligible.

- ***Availability of sufficient services.*** Unfortunately, for some families, children at risk, the chronically mentally ill, and substance abusers, sufficient services are not available to meet their needs. One of the service providers stated that some of the people "who serve the homeless don't understand the problems [they have] and how to address the problems, because they do not have hands-on experience. [Therefore, since their problems aren't well understood], there isn't a match of needs to services when the needs haven't been [adequately] diagnosed."

- ***Compassion.*** The providers felt strongly that there was a "need for concern, experience, and consideration of the feelings of the homeless."

- ***Commitment.*** There is also a need for the grantee to be in direct touch with service providers and shelters on an ongoing basis, to understand the problems.

Grantee staff "must be committed to their responsibilities in the area of assisting the homeless and must believe in what they are doing."

- *Interrelationships* with the other shelters and service providers for referrals and support.

- *Additional resources* to match services to the full range of needs.

The grantee agency performs site visits to monitor the use of the ESG funds each month. UAD staff believe all providers could benefit from receiving training in record-keeping, including documentation concerning the required funding match. Furthermore, client tracking has become a focal point for HUD, so the grantee would like to see HUD provide training in this area as well as offering a tracking system.

Some of the providers were interested in receiving additional information on how to utilize vacant HUD homes, either as potential shelters or as homes for homeless clients. The Salvation Army expressed an interest in knowing more about policies and procedures related to funding, in the matter of separation between church and state.

Some of the providers felt that HUD should monitor the city's activities related to submission deadlines and penalties, as well as the slow reimbursement process for expenditures. Although the providers seem to be aware of the services needed by the homeless, they lack a coordinated system to plan resource availability, allocation, and utilization, and to manage the efforts to match needs to services. The service providers hope that the staff at Unity will receive training in these areas from HUD, or perhaps from the grantee agency.

In summary, all providers offered praise for the efforts of the city's Urban Affairs staff and their team management approach to dealing with homeless issues and needs. However, there are no state or local resources being added to the federal funds to deal with these issues. There is also no comprehensive system in place to avoid overlap of efforts or resources and to provide coordinated case management services. HUD could assist the city of New Orleans by providing successful models for homeless assistance programs and case management information systems.

CHAPTER 11

EMERGENCY SHELTER GRANTS PROGRAM EVALUATION

SITE PROFILE: PORTLAND, OREGON

11.0 Site Overview

Portland, Oregon is a place of both scenic and human contrasts. Set in a dramatic landscape, the city contains mountain heights, river waterfront, and extended flatlands. An attractive and relatively affordable place to live, Portland's metropolitan area has continued to grow rapidly, although the city and surrounding Multnomah County have grown much more slowly than the outlying counties. A diversified service economy, with high tech companies in the suburbs, has replaced the former dependence on the timber industry. Many of Portland's 437,319 residents have prospered over the past decade, but about 26,000 of its households (roughly 20 percent) are renters with incomes below 50 percent of the metropolitan median, and another 10,000 renter households have incomes between 51 and 80 percent of the $30,500 median (1990).[1] Rapidly rising rents since 1985, increasing much faster than per capita personal income, have put portions of the very low income population at risk of homelessness due to loss of affordable units. There are also others at risk due to physical or mental disability, substance abuse, AIDS, other medical emergencies, disaffiliation (lack of social ties or support systems), and domestic violence, including child abuse.[2] Landlords are reluctant to accept or renew Section 8 tenants, because they can get more rent in the private market. And the supply of Single Room Occupancy (SRO) housing was drastically reduced between 1970 and 1985, although it has begun to expand again as providers develop SRO facilities for transitional or permanent housing to serve specific populations (such as clean and sober former substance abusers).

In even sharper contrast is Portland's significant homeless population, estimated at nearly 1,800 persons in shelters or visible in street locations on the night of the 1990 Census count.[3]

---

[1] Basic statistics are from the City of Portland/City of Gresham/Multnomah County *Countywide Housing Affordability Strategy (CHAS)*, Adopted Five-Year Strategy 1991-1996, pp. 20, 53-65.

[2] *Ibid.*, pp. 56-57, 47-48.

[3] *Ibid.*, p. 38.

This represents at least a 50 percent increase over a 1989 count carefully developed from local sources;[4] even so, it may not include families and individuals sheltered in hotels and motels with state vouchers.[5]

Full demographic data on the homeless in Portland, last developed in 1989,[6] show that 42 percent of the population were single males, 10 percent were single females, 40 percent were families (including 23 percent children), 4 percent were youth under 21, 3 percent were couples, and 2 percent were elderly. More recently, these proportions have changed -- the number of homeless single men has stabilized but the numbers of single women and families are increasing, as are the numbers of youth and the women and child victims of domestic violence.

The reasons for these increases differ from group to group. Domestic violence and mental illness (combined with a reduction in state services for the mentally ill) are both factors contributing to the growing population of individual women seen at shelters. Family homelessness is increasing because of hard times in Oregon, including structural unemployment (due to loss of the timber and fishing industries), other job loss, and increased alcohol and drug abuse or mental illness due to economic stress. The number of battered women with children (who may also be victims of abuse) continues to rise as economic factors and substance abuse put strains on families. And the marked increase in the population of homeless youth suggests to some observers that there is widespread family breakdown; only a third are runaways, with the remainder being "free" or "throwaway" youth. Rising rents, or sale and rehabilitation of rental properties, also lead to growth in the number of elderly persons without permanent housing.

Apart from the current economic conditions and the impact of mental illness and substance abuse, there is a significant shortage of affordable housing in Portland relative to the population eligible for housing assistance. The HUD Area office has estimated that approximately 70 percent of the Multnomah County households eligible for federal housing subsidy do

---

[4] Housing Authority of Portland, *Resolving Homelessness in Portland and Multnomah County: A Report and Planning Framework*, November 1989, p. 3.

[5] The voucher program provides up to two weeks of emergency housing, once a year, in a hotel or motel, for an individual or household when shelter space is either unavailable or inappropriate.

[6] HAP, *Resolving Homelessness in Portland and Multnomah County*, pp. 3-6.

not receive it,[7] yet there has been a slowdown in the new Section 8 resources coming into the community. While Section 8 project-based housing is readily available for the elderly, the wait for families for Section 8 is about 2 years.

Entities involved with the Emergency Shelter Grants Program that were interviewed during the site visit to Portland included:

- City of Portland Bureau of Community Development (the grantee agency);
- Representatives of the Housing and Community Development Commission (HCDC) and the Funders Advisory Committee (FAC) of Portland and Multnomah County;
- Transition Projects (ESG-funded provider);
- Raphael House (ESG-funded provider);
- Portland Impact (ESG-funded provider); and
- Red Cross Clearinghouse (ESG-funded provider support).

11.2 Program Description

The Emergency Shelter Grants Program in Portland is administered by the City's Bureau of Community Development (BCD), which also administers the Community Development Block Grant (CDBG). With the ESG's FFY 91 funds,[8] Portland BCD allocated its $174,000 grant among eight provider agencies, all of which were private, nonprofit organizations. Of these, four were included in the site visit: Transition Projects, Inc. (an agency operating shelters, transitional housing, and numerous related programs), Raphael House (an agency with an emergency shelter, transitional housing, and other services for victims of domestic violence), Portland Impact (an organization operating a day shelter and other programs for families[9]), and the American Red Cross (which operates a clearinghouse for homelessness prevention

[7] *CHAS*, p. 47.

[8] The fiscal years pertaining to federal allocations of ESG funding are labelled FFY (Federal Fiscal Year), to distinguish from the fiscal years of the agencies receiving ESG grants.

[9] In addition to the Community Resource Center (within which the emergency shelter is run), Portland Impact operates a Youth Services Center, a Senior Resource Center, and a Neighborhood Family Center.

assistance). These four agencies had all received ESG funding before, as BCD uses this program to help stabilize provider operations.

Exhibit 11.1 contains a range of information about the four Portland providers that were included in the site visit. Three run very different kinds of emergency shelters. ***Transition Projects*** operates a large, dormitory-style night shelter for single men with a small, 24-hour shelter for single women; these are key facilities in the downtown network serving the single population. ***Raphael House***, on the other hand, has a 25-bed, short-term domestic violence shelter in an old house, with a play yard for the children; after 3 weeks, on average, clients move into an apartment in one of Raphael House's two transitional facilities. The ***Portland Impact*** emergency shelter is a day facility and program serving homeless families who sleep at the church shelters in Southeast Portland but must leave in the morning. Yet there are also important commonalities among these programs: all three shelters *require case management as a condition of shelter* and offer a *wide range of on-site services* designed to deal with the causes of homelessness, to end it, and to prevent its recurrence. Statistics on the clients of Raphael House and Portland Impact are contained in the Appendix to Chapter 11 at the end of this volume.

The ***Red Cross Clearinghouse*** (RCC) is a very different kind of operation. With an office and a staff of three, it serves (by telephone) about 40 Multnomah County social service agencies, administering state vouchers and rental assistance.[10] RCC maintains the client records (to control usage and keep statistics) and acts as a central disburser of the resources allocated to each provider agency. The rental assistance program, which received the FFY 91 ESG funds, has three variations:

(1) When a family receives a 72-hour eviction notice and calls a social service agency for help, that provider can draw on its allocation to offer help with back rent and utilities (as long as the family agrees to case management and the provider still has funds left);

(2) Provider clients in emergency shelters or transitional housing can obtain help with a security deposit, first month's rent, and moving costs as they move into permanent housing; and

[10] Among its smaller programs are long-distance transportation funds, energy assistance, bus tickets for singles and youth, and childcare and transportation for families in case management (whether in shelters or in transitional housing).

Exhibit 11.1

Emergency Shelter Grants Program
Characteristics of Portland, Oregon Providers

Provider Characteristics	Selected Providers in Portland, Oregon			
	Transition Projects	Raphael House	Portland Impact	Red Cross Clearinghouse
Type of Organization	Private, non-profit agency	Private, non-profit agency	Private, non-profit agency	Private, non-profit agency
Year Begun	1971	1977	1966	1984
Year Began Serving the Homeless	1971	1977	1985	1984
Populations Served	Homeless single men and women	Women and child victims of domestic violence	Homeless and at-risk families (both single- and two-parent)	Homeless and at-risk families and individuals
History of ESG Funding				
FFY 87S	$20,100	$9,293	$ 0	$ 0
FFY 88	14,000	0	0	0
FFY 89	0	8,640	1,305	0
FFY 90	3,660	14,000	5,400	20,000
FFY 91	14,200	14,000	10,800	35,000
ESG-Supported Activities	Emergency Shelter Operations	Emergency Shelter Operations	Day Shelter Operations	Homelessness Prevention

Exhibit 11.1, continued

Provider Characteristics	Selected Providers in Portland, Oregon			
	Transition Projects	**Raphael House**	**Portland Impact**	**Red Cross Clearinghouse**
Other Activities Serving the Homeless	Clean-up Center; case management; alcohol/drug treatment; corrections counseling; mental health services; employment counseling; transitional housing	Transitional housing; case management; men's counseling	Case management; advocacy; family stabilization; parent/child development center; self-esteem program; healthcare; nutrition education; life skills training	Payment for shelter (state voucher program for hotel or motel space, when shelter placement is unavailable or inappropriate)
Total FY 91 Budget[1] and Percent from ESG	\$479,406[2] 3.0%/4.5%[3]	\$266,907[2] 5.2%	\$380,438[2] 2.8%	\$383,000[2] 9.1%

[1] Cash budget for homeless activities directly related to the ESG-funded program, for the year in which FFY 91 ESG funding was received.

[2] Budget figure includes in-kind contributions.

[3] Second figure includes ESG monies in consolidated grant from Multnomah County.

(3) An at risk or homeless family, working with a provider, can receive rent co-payments over a three-month period to aid either in stabilizing current housing or in obtaining permanent housing. These payments cover a portion of rent, up to one month's total.

In all cases, the payments prevent or end homelessness. The FFY ESG monies assisted 140 households (274 people) with rent or security deposits, and an additional 42 households (141 people) with rent co-payments.

Exhibit 11.1 also shows that the three shelter providers all used the ESG funding to support basic operations, for paying rent or maintenance and repair costs. In coordination with the county, other funders, and the providers' network, the Portland grantee agency has defined support of shelter operations as the primary objective of ESG implementation in Portland. In fact, the Red Cross Clearinghouse homelessness prevention funding was the only non-operations grant in FFY 91;[11] in FFY 92, only operations was funded. (The prevention activities were continued with the Federal Emergency Management Administration [FEMA] and state funding. A grant to Multnomah County from the state Housing Trust Fund, for promising new programs, gave the program sufficient monies to operate for a full year, where in FFY 91 the monies had run out after 4 months.)

A final item to note from Exhibit 11.1 is the scale of resources being used for the homeless in these provider agencies. The budget amounts listed for Transition Projects, Raphael House, and Portland Impact apply only to those parts of their programming directly connected with the ESG-funded shelters. (The full agencies are much larger, as can be seen by the variety of other activities and programs they manage.) For Transition Projects, the ESG funding from the city of Portland represents just 3 percent of all resources; the proportions are 5.2 percent and 2.9 percent for Raphael House and Portland Impact, respectively. The RCC had a $383,000 budget for housing-related functions; FEMA funds made up 72 percent of this, ESG monies just 9.1 percent.

[11] BCD also awarded one conversion/renovation/rehab grant to support creation of a family shelter in a Portland neighborhood that has no homeless facilities. Community opposition and a court challenge have frozen the project. The FFY 91 funds were reallocated to operations, with $30,000 for an emergency family shelter and $42,000 for domestic violence programs.

11.3 Implementation

When Portland first received an Emergency Shelter Grant, under the FFY 87S allocation, the Bureau of Community Development was already involved in funding homeless programs, having used CDBG monies to convert or renovate shelter facilities. Today, BCD administers funding from CDBG, ESG, and HOME, as well as city general funds; of the approximately $14 million agency budget, over $1.3 million is spent on programs for the homeless, of which 90 percent is federal funding and the remainder local revenues. The Emergency Shelter Grant is about 13 percent of the total.

Exhibit 11.2 shows Portland's allocation of ESG funds over time among the categories of eligible activities. In general, the focus has been on operations, with virtually no capital spending. Through CDBG and (now) HOME, there has always been sufficient other money for conversion, renovation, and rehab. But Portland is always at the services cap in CDBG and has little other money than ESG to support operations. At present, it is widely agreed among officials and providers that, if they were to add capacity to the Portland homeless system (either transitional housing or emergency shelter), there would be no way to fund its operation.

Exhibit 11.2 also shows that Portland does not require its providers to match the ESG funds they receive. Instead, the grantee furnishes the match from CDBG and local general revenues. This was the only site among the 15 in which the grantee retained responsibility for the matching funds.

The planning and coordination structure evident today was begun in the mid-80s, with a Funders Advisory Committee, a county community action agency, and delineation of the provider network (neighborhood-based multi-service agencies plus special needs agencies and the clearinghouse).[12] This system has grown larger and stronger with the advent of the Multnomah Community Action Program Office (CAPO) as the lead agency, the active participation of the Community Action Service Providers (CASP) organization, and formation of special task forces on youth, families, and singles.

When the Countywide Housing Affordability Strategy (CHAS) process came along, the agencies working on it found that housing and homeless services were not being delivered as

---

[12] City of Portland/Multnomah County Emergency Basic Needs (EBN) Committee, "Plan or Coordination of EBN Services," February 1988; City of Portland, *Comprehensive Homeless Assistance Plan: Performance Report FFY 88,* May 1989.

Exhibit 11.2
ESG Funding History and Match Sources:
Portland, OR

		C/R/R	OPS	ES	HP	AD	TOTAL
History of ESG Funding	FFY 87S	$ 0	$113,900	$20,100	N/A	N/A	$134,000
	FFY 88	0	21,000	0	N/A	N/A	21,000
	FFY 89	5,640	89,560	23,800	$ 0	N/A	119,000
	FFY 90	0	150,400	37,600	0	N/A	188,000
	FFY 91	0[4]	139,000	0	35,000	$ 0	174,000
Percent Distribution of Funds Over Time	FFY 87S	0%	85%	15%	N/A	N/A	100%
	FFY 88	0	100	0	N/A	N/A	100
	FFY 89	5	75	20	0%	N/A	100
	FFY 90	0	80	20	0	N/A	100
	FFY 91	41?	39?	0	20	0%	100

Matching Funds for ESG Allocations	PROVIDER/ACTIVITY		SOURCE	LEVEL
	All	All	Federal (CDBG); Local (general revenues)	Grantee

KEY: C/R/R=conversion, renovation, rehabilitation OPS=shelter operations ES=essential services
HP=homelessness prevention AD=administration
N/A=Not Applicable—HP not separate from ES until FFY 89; AD not eligible activity until FFY 91.

[4] Portland originally allocated $72,000 of FFY 91 monies for creation of a family shelter. After neighborhood opposition and a court challenge delayed the project, these funds were reallocated to operations.

effectively as possible. The CHAS therefore recommended a housing commission to oversee the whole process, and this Housing and Community Development Commission (HCDC) was implemented as of July 1992. In the CHAS, the county is recognized as having the *lead role in services to the homeless,* and the Housing Authority of Portland (HAP) is recognized as the *lead housing agency.* The FAC is now in the background; a new Homelessness Advisory Committee (HAC) consists of Portland, the county, United Way, and the small city of Gresham (funders) plus provider representatives from each taskforce and the CASP, with HAP ex-officio.

This system ties together the city's homeless funding with a much larger pool of county money,[13] as well as resources from the city of Gresham and the United Way. For FY 92-93, the breakdown of spending on homeless programs is as follows:

Multnomah County CAPO	$5,674,242	66.7%
City of Portland	1,347,815	15.8
City of Gresham	71,325	.8
United Way	1,419,479	16.7
	$8,512,861	100%

The four funders have agreed on a comprehensive allocation system for this money, with a population- and need-based formula for distributing resources to:

- seven geographically based multi-service centers;
- a set of special-needs providers (for domestic violence, the elderly, youth, the severely mentally ill [SMI], and food);
- minority access programs for refugees, Native Americans, and people of color;
- clearinghouse services; and
- transitional and permanent housing production.

They work closely together on allocation issues and funding decisions. However, they have not taken the step of pooling funds across jurisdictions and issuing a joint Request for Proposal

[13] The county pools money for homeless programs from the following sources: Community Services Block Grant and CSBG for the Homeless (both federal via State of Oregon), *Emergency Shelter Grants Program,* State Homeless Assistance Program, State Emergency Housing Account (from the Housing Trust Fund), county general fund, Marriage License Tax, Oregon Partners in Energy, Oregonian Christmas Fund, Low-Income Energy Assistance Program, LIEAP Weatherization, FEMA, Better Homes Foundation, Robert Wood Johnson Foundation, and several other special-purpose sources.

(RFP) to providers; instead, Portland BCD and CAPO solicit applications separately, sign separate contracts with providers, and conduct their own monitoring.

The ESG-funded providers selected for the evaluation site visit fit into this system as follows: Transition Projects is the multi-service agency for downtown Portland; Portland Impact is the multi-service agency for the Southeast; Raphael House is a special needs provider (domestic violence); and the Red Cross operates the voucher and rent assistance clearinghouse.[14]

Transition Projects' night shelter is the central downtown facility for singles, with 140 guests a night; it is virtually always at capacity, especially the women's section, and sustains tremendous wear and tear (visible during the site visit). ESG has been a significant source of maintenance and repair funds, as well as paying some of the rent.

For Raphael House, the series of ESG operations grants has been the base of support for emergency shelter operations -- utilities, telephone, insurance, and supplies. The grant supports shelter for 203 nights for 22 women and children. Before ESG, these costs were paid from general resources via fundraising, which was difficult because they are not the "sexy" items contributors want to support.

ESG funding to Portland Impact enabled it to move the day shelter from a church-owned house that was unsafe for children and too small, into rented space adjoining the counseling offices. In the old facility, the safety problems necessitated much more staffing; at one point, the shelter had to shut down because there was insufficient funding for this staff. The city ESG grant pays rent on the new facility. For the Red Cross Clearinghouse, the ESG funding is a far more flexible source of rental assistance than FEMA (which cannot be used for security deposits, has very strict eligibility standards, and has a maximum of $350). ESG and FEMA funding can be combined to enable a move into permanent housing; the Emergency Shelter Grant can help an able-bodied person retain housing or pay the security deposit to help a homeless family move into a subsidized unit.

At present, BCD and the coordinating agencies believe there is an adequate supply of shelter for singles, but not for families, youth, or victims of domestic violence. ***However, neither grantee nor providers would recommend creation of new facilities, because there is no***

[14] A staff member of Northwest Pilot Projects, the special needs provider for the homeless elderly, also participated in the Red Cross interview.

assurance of sufficient funds to operate them. This is why, in the CHAS, highest priority is given to developing stable sources of funding for low-income housing and supportive services, including "modify[ing] resource allocation processes to ensure stable annual funding of base-level housing and services for the homeless." [15] As for service availability, the coverage is fairly comprehensive (from case management to day care, transportation, and emergency medical care) although the amounts of day care and dental care are too small. The significant gaps are in mental health services for adults, inpatient and residential services for the mentally ill, and outpatient services for alcohol and drug abusers.

11.4 Impact

Each of the Portland providers receiving ESG funding reports a discernable impact from the grants. For the night shelter operated by Transition Projects, ESG funding has meant better physical quality -- cleanliness, safety, basic habitability. For Raphael House, apart from more than 4000 shelter nights offered clients, there was a broader impact: because of the steady ESG support, the agency was able to look toward expansion, directing its fundraising to the establishment of its two transitional facilities. Compared to the old site, the new day shelter run by Portland Impact offers improved quantity and quality of physical space plus greater access to support services. As already described, the Red Cross Clearinghouse can serve a broader range of at risk and homeless clients in more ways with ESG monies than with its other homelessness prevention funding. The widely perceived success of the prevention program in FY 91-92 created a groundswell for the similar use of EHA money. Another outgrowth of the ESG prevention funding was a $20,000 foundation grant the housing authority received, to create a revolving security deposit fund that will enable families to obtain housing and then pay back the deposit to HAP in three monthly installments.

In at least three of these four agencies, the availability and/or quality of shelter space and homeless services has been positively affected by the ESG funding. In the fourth agency, homeless women and children benefitted from the expansion into transitional housing. There may certainly have been other agencies excluded from the direct allocation of ESG funds, but any designated as part of the comprehensive system for the Portland area receive support from other city and/or county funds. And the homelessness prevention money administered by the

---

[15] *CHAS*, pp. 89-90.

Red Cross is drawn upon by all the agencies in the system, to prevent loss of housing or to help clients access new housing.

Linkage of clients to services is also quite systematic in Portland. As previously noted, shelter is only available to those "willing to work on their homelessness" through case management. The men who come to Transition Project's night shelter are referred from alcohol/drug programs, detox, corrections, employment programs, or health facilities; they already have a case manager, with the lead taken by the mental health or alcohol/drug program, if any. The women's shelter serves walk-ins and provides case management in a 24-hour "self-sufficiency" program. Raphael House clients receive emergency basics, including a visit to the hospital Emergency Room, first; a more comprehensive needs assessment follows, to identify service requirements and a plan of action. Portland Impact is the source of case management for the families sheltered by the churches; the day shelter enables sustained contact with parents and children, including regular medical care and observation by a child development specialist.

Portland's system for serving the homeless exhibits an extraordinary level of commitment, thought, planning, and coordinated action. It is clear that the new organizational structure is intended to be even more inclusive of all the entities involved in either funding or serving this population. Information and referral are easily obtainable across all the communities and the services. The main missing element is sufficient affordable permanent housing for all the various groups represented in the homeless population, but HAP is a creative and aggressive agency seeking all possible resources to expand the affordable housing supply. The agency is also involved in special efforts with formerly homeless residents of public or Section 8 units; it recently received a Supplemental Assistance for Facilities to Assist the Homeless (SAFAH) grant to identify and provide stabilization services to residents at risk of becoming homeless again.

Staff of the HUD Field office in Portland expressed some concern over the narrow focus of the city's ESG funding on shelter operations, perhaps with a sense that the other eligible activity categories are more innovative or better represent additions or expansions of service to the homeless. But it is hard to take issue with the allocation choices Portland makes, given the clarity with which goals have been articulated and the scale of resources marshalled to address those goals.

In summary, Portland's efforts to address the problem of homelessness are broad, thorough, exceptionally well-coordinated and effectively implemented. The level of cooperation and commitment has gained Portland a reputation as one of the models for homeless services delivery.[16] The grantee agency has the capacity and will to monitor the use of ESG funds and target them appropriately, given local priorities and the present scale of funding.

While expanded funding might lead to a greater focus on homelessness prevention, the reduced FFY 93 appropriation for ESG will strain existing providers instead. Representatives of the city government in Portland noted that the Emergency Shelter Grants Program's flexibility allows it to reach groups in the homeless population -- such as families and victims of domestic violence -- for which there are no special, new programs. They urge HUD to maintain and expand this program.

[16] William Raspberry, "The Real Homeless," *Boston Globe,* December 31, 1992. Portland is featured in Alice S. Baum and Donald W. Burnes, *A Nation in Denial: The Truth About Homelessness* (Boulder, CO: Westview Press, 1993), Chapter 10.

CHAPTER 12

EMERGENCY SHELTER GRANTS PROGRAM EVALUATION

SITE PROFILE: CITY OF SAN FRANCISCO, CALIFORNIA

12.1 Site Overview

The city of San Francisco, located along the northern half of California's Pacific coastline, is the second most densely populated city in the United States.[1] Only one-third of the housing units are single-family homes; 90 percent of the city's dwellings are occupied by renters, and 60 percent of these renters live in studio or one-bedroom units.[2]

The pressure on the housing market has made housing costs in San Francisco unaffordable for many individuals and families. During the 1980s, the median rent for a 2-to 3-bedroom apartment rose 90 percent, to $895[3]; the rental costs of single room occupancy (SRO) grew even faster--up 166 percent.[4] The numbers of SROs is decreasing rapidly, since many of the owners took advantage of the earthquake to shut down and convert to tourist hotels. To stop this, a recently passed ordinance in San Francisco prevents these conversions for other uses. One result is that only 40 percent of the city's housing is occupied by single families; the remainder is occupied by groups of unrelated adults (and students), with multiple incomes to support the housing costs.[5]

Since 52 percent of all households in San Francisco are in HUD's two lowest income categories, another result of the housing cost increases in San Francisco is that many are on the brink of homelessness. An Aid to Families with Dependent Children (AFDC) recipient with a family of three receiving $591 plus $150 in food stamps per month can "afford" to pay $198 per month for housing. Similarly, a General Assistance (GA) recipient receiving $341 plus $90 in food stamps per month can "afford" to pay $102 per month for housing. Since there is no such

---

[1] *1992 Comprehensive Housing Affordability Strategy (CHAS), City and County of San Francisco, Mayor's Office of Housing and Community Development, October 3, 1991*, p. 40.

[2] *Ibid.*, pp. 39-40.

[3] *Ibid.*, p. 1.

[4] *Ibid.*, p. 1.

[5] *Ibid.*, p. 2.

housing, these persons can choose to spend part of the month in an SRO and the remainder doubled-up with friends.[6] Californians dependent on AFDC income have faced a 39 percent decrease in purchasing power since 1971, forcing a "welfare exodus" from the city.[7] Others have stayed despite the difficulties. In 1980, the city estimated that 28,000 households were paying 50 percent or more of their incomes for housing, with no assistance.[8] The 1988-1991 Housing Assistance Plan (HAP) provided an estimate that 17,319 households were living in seriously substandard housing.[9] Housing assistance is helping to address the imbalance between income and housing costs. In 1991, 19,700 households received rent subsidies either through public housing or Section 8 vouchers. Another 3,455 paid below-market rents through state and local housing programs. An additional 1,500 were subsidized through the city's emergency shelter programs. However, there are approximately 77,000 households that need rental assistance.[10]

The San Francisco Comprehensive Housing Affordability Strategy (CHAS) reports that the estimated number of current homeless is 6,660 to 7,700 persons. This includes 2,900 in shelters and transitional hotel programs, 700 receiving AFDC emergency housing assistance (for up to 28 days), 1,000 irregularly housed, 1,800 living outdoors, and 1,300 displaced by the earthquake. It does not include an unknown number currently in jails, hospitals, detoxification programs, living in vehicles or SROs, staying with friends, or living on the streets.[11] An advocacy group for the homeless, HomeBase, estimated that 23,000 persons in the city were homeless for some duration during 1990.[12] According to the results of surveys in 1985 and 1986, the homeless on San Francisco streets are predominately single men (86 percent). Many

---

[6] *Ibid.*, p. 16.

[7] *Ibid.*, p. 15.

[8] *Ibid.*, p. 6.

[9] *Ibid.*, p. 7.

[10] *Ibid.*, pp. 5-6.

[11] *Ibid.*, p. 20.

[12] *Ibid.*, p. 20.

are substance abusers (63 percent), veterans (37 percent), or mentally disabled (32 percent).[13] A 1988 United Way survey found that the growing segments of the homeless population are families, single women with children, runaway youth and persons with AIDS.[14] According to an article in the San Francisco Chronicle, the number of homeless families in San Francisco has doubled in the last two years.

San Francisco has between 50 and 60 homeless services providers. In June of 1991, the total capacity of the city's shelters was 1,114 beds in 20 facilities. In addition, there were 400 residential "hotline" hotel beds. Turnaways from shelters are common; during an 11-month period ending in May 1991, there were 18,016 turnaways.[15]

To examine the Emergency Shelter Grant Program (ESG) as administered by the city of San Francisco, representatives from the following offices were interviewed during the site visit:[16]

- Mayor's Office of Community Development (grantee agency);
- Richmond Hills Family Center (ESG-funded provider);
- Larkin Street Youth Center (ESG-funded provider); and
- American Red Cross (ESG-funded provider).

12.2 Program Description

San Francisco developed its current homeless program in 1982, with a commitment of $600,000 of its own money to aid the shelter system operated by private nonpofits and religious organizations.[17] At that time, the city adopted a policy of guaranteeing shelter to anyone in

---

[13] *Ibid.*, p. 22.

[14] *Ibid.*, p. 21.

[15] *Ibid.*, p. 25.

[16] See also the site profile for the State of California. That report provides additional information about the use of ESG funds in California, through the state's entitlement.

[17] *San Francisco CHAS*, p.53.

need. By the end of 1989, the city had spent $37 million on temporary, emergency shelter antidotes to homelessness.[18]

The responsibility for addressing the problem of homelessness in San Francisco is currently shared by two city agencies. The Department of Social Services (DSS) is the lead agency, administering the homeless program and operating the city's five emergency shelters and three multi-service centers. DSS also administers the city's public entitlement programs: Aid to Families with Dependent Children, General Assistance, Supplemental Security Income (SSI), and food stamps. The Mayor's Office of Housing and Community Development (MOHCD) administers other programs that address the needs of the city's homeless: the Office of Housing manages the transitional housing programs, and the Office of Community Development is responsible for the initiatives funded under CDBG and ESG.

Approximately $200,000 per year in CDBG funds have been used for the last decade for shelter renovations. As a consequence, the ESG funds are used for other purposes. The $422,000 FFY 91 grant was used for: operations ($190,887), homelessness prevention ($111,800), essential services ($102,313), and administration ($17,000).[19]

The goal of the Mayor's Office of Community Development is to help as many homeless people as possible. However, local program staff feel that meeting the current needs of the homeless is very difficult due to the large numbers in need of services. The shortfall may be as much as 50 percent, especially among single men and families. The long-term strategy has been to support capital projects (usually with CDBG funding) and transitional housing, especially SROs. The other part of their strategy has been to ensure that no shelters shut down. There is concern that in the future, with diminishing federal funding, they may not be able to provide funding to as many homeless-services providers.

Three provider agencies which received ESG funding from the city of San Francisco's grant were visited: Richmond Hills Family Center; Larkin Street Youth Program; and the American Red Cross. Exhibit 12.1 provides a summary of these three homeless-services providers.

---

[18] *Ibid.*, p. 29.

[19] The fiscal years pertaining to federal allocations of ESG funding are labelled FFY (Federal Fiscal Year), to distinguish from the fiscal years of the agencies receiving ESG grants.

Exhibit 12.1

Emergency Shelter Grants Program
Characteristics of San Francisco Providers

Provider Characteristics	Selected Providers in San Francisco		
	Richmond Hills Family Shelter: St. Vincent DePaul Society (RHFS)	Larkin Street Youth Center	American Red Cross–Bay Area
Type of Organization	Non-profit	Non-profit	Private non-profit
Year Begun	1991	1980	1898
Year Began Serving the Homeless	1991	1980	1989
Populations Served	Homeless families	Youth, aged 12-23	Singles and families
History of ESG Funding FFY 87S FFY 88 FFY 89 FFY 90 FFY 91	 $25,000	 $ 6,150 $25,400 $31,000	 $67,625
ESG-Supported Activities	Operations ($3,000 for maintenance) and essential services ($22,000 for evening case manager)	All operations (maintenance, telephone, utilities)	All homelessness prevention
Other Activities Serving the Homeless	Essential services, counseling	Day shelter, case management, medical clinic	None, coordinates & approves homelessness prevention services only
Total FY 91 Budget[1] and Percent Budget from ESG	$1.1M 2.2%	$2,364,000 1.3%	$397,750 17.6%

[1] Cash budget for homeless activities, for the year in which FFY 91 ESG funding was received.

Richmond Hills Family Center, one of San Francisco's newest shelters, opened on April 15, 1991. It is a collaborative operation of three organizations: St. Vincent DePaul Society, an organization founded in San Francisco in 1885 to provide person-to-person charity; Catholic Charities, which began helping the poor and disenfranchised people of the city in 1906; and Health Care for the Homeless, an organization that provides clinic-based health services to the homeless population. The lead organization, St. Vincent DePaul Society, operates several other shelters: one for single men funded by DSS; a battered women's shelter; a transitional housing facility for women; and a detoxification facility. Richmond Hills Family Center has 40 beds and serves 10 to 13 families with children at a time. It operates at full capacity all the time, turning away 170 families per month. Even after an intake interview and being scheduled for placement, families may have to wait two to three months for an opening. Once placed, families can stay for 30 days, with the possibility of two one-month extensions if they are making "good progress."

This shelter provides a wide range of services to its clients. All families receive case management and linkage to needed services, including entitlements, employment and housing assistance, vocational counseling, and personal counseling as needed. In addition to the 11 staff members of the shelter, Catholic Charities offers daytime essential services to resident families. In FFY 91, Richmond Hills received $25,000 from ESG for a combination of operations (maintenance) and essential services (an evening case manager) from ESG. Its total operating budget for the same period was $1.1 million, of which ESG was 2.2 percent. Other sources of funding include $788,000 from the St. Vincent DePaul Society and $250,000 from Catholic Charities. The capital funding for renovations came from CDBG.

Larkin Street Youth Center is a drop-in center for youth aged 12 to 23. Open 12 hours per day, it serves homeless youth who have come to San Francisco from a wide range of locations. Only seven percent are from San Francisco County. Thirty-two percent are from elsewhere in California, 40 percent are from out-of-state, and 19 percent are from out of the country, primarily Mexico and South American countries. Larkin Street Youth Center started in 1980 as the Polk Street Town Hall in a Presbyterian church. After incorporating in 1983, the agency moved to a storefront on Larkin Street and it added three more storefronts over time. One of only three centers and shelters in San Francisco serving this age group, Larkin Street offers a broad range of services including outreach, a drop-in center, case management, aftercare, education, employment counseling and referral, and a fully-equipped medical clinic. It typically takes a year or more before homeless adolescents can be transitioned off the streets and back into a permanent residence. The drop-in center's average daily attendance is 35 on weekdays and 19 on weekends.

Larkin Street has 42 staff, 70 volunteers, and a 16-member board. Its total operating budget for FFY 91 was $2.364 million of which $31,000 (1.3 percent) was from ESG for operations (maintenance). The agency is currently planning to add a residence program which will increase the operating budget to approximately $3 million. Larkin Street Youth Center enjoys wide community support and has many sources of funding. Federal, state, and city grants in excess of $1.27 million account for 66 percent of its income. Eighteen percent of its funding is from foundations and corporations, and individual and civic group donations account for another 5 percent. In addition, during FFY 91, volunteers donated 5,622 hours, and the medical clinic provided $300,000 of in-kind services.

The American Red Cross, Bay Area chapter, coordinates the homelessness prevention allocations for 29 agencies serving the city's homeless. This program began in 1989 when the San Francisco Chronicle ran its first Season of Sharing, a fund drive for the homeless. The Red Cross was allocated part of the Season of Sharing funds for homelessness prevention, so it joined a consortium of agencies and began looking for other sources of funding. From the beginning, the primary roles for the Red Cross have been two-fold: to develop the pool of funds for prevention; and to ensure that the funds are granted to both at risk and currently homeless persons using the same criteria across all agencies. The Red Cross coordinator works with the other agencies' case managers, to be certain that once a homeless family receives a grant they will be able to stay in that housing arrangement (or improve upon it) for at least a year. One of the requirements, therefore, is that all families receiving prevention funding must also be receiving case management and the needed social services. The average grant is $650 which typically pays for a $500 security deposit plus utility deposits or rent currently due and past due utilities.[20]

During FFY 91, the Red Cross also applied for ESG funding from the city of San Francisco. The agency was allocated $67,625 for homelessness prevention, its first ESG grant.

[20] Typically, the Season of Sharing funds are used as "move in" resources while the ESG funding is used to prevent homelessness among those at risk of losing their current residence.

At the same time, the San Francisco Chronicle provided a grant of $250,000, and St. Anthony's Foundation contributed a $67,250 match for the ESG funds. Including the staff the Red Cross supplies to support this program, the total operating budget was $397,750 in FFY 91, of which 17 percent was from ESG. The demand for homelessness prevention funding exceeds the supply. They receive applications for three times as much money as they currently have in their budget. As a consequence they have also applied for $50,000 from FEMA for additional homelessness prevention.

12.3 Implementation

The City of San Francisco began receiving an ESG entitlement when the program began, in FFY 87. With the exception of FFY 1988, in most years San Francisco has received between $300,000 and $422,000. As shown in Exhibit 12.2, the largest allocations of ESG funds initially went to capital projects and renovations for transitional housing, including SROs. Beginning in FFY 89, the city began to invest much more heavily in funding the operations of the shelters and other service providers. When the ESG cap on essential services was raised, the Mayor's Office of Community Development increased its allocations to this activity. Unlike the state of California, a service provider in San Francisco may receive an ESG allocation each year. However, only two out of the 20 that have ever received these grants have received ESG funding continuously since FFY 87.

Matching funds for the ESG grant is a service provider responsibility. In San Francisco, the matching funds used by the three providers we visited were from cash donations and grants, as shown in Exhibit 12.2. Some were private donations; others were from foundations and corporations, indicating substantial local support for the efforts of these providers.

Local coordination of services to the homeless takes several forms. San Francisco has an active Homeless Coalition that meets regularly. In addition, subgroups of the homeless services providers (e.g., family shelters and transitional housing operators or providers of services to youth) meet regularly to share information about clients and devise strategies for serving more homeless persons. Using these efforts at coordination, shelter operators try not to waste valuable resources on the duplication of services. Coordination with the San Francisco

Exhibit 12.2
ESG Funding History and Match Sources:
City of San Francisco, CA

		C/R/R	OPS	ES	HP	AD	TOTAL
History of ESG Funding	FFY 87	$ 46,783	$ 4,217	$ 9,000	N/A	N/A	$ 60,000
	FFY 87S	199,000	56,000	45,000	N/A	N/A	300,000
	FFY 88	36,972	3,828	7,200	N/A	N/A	48,000
	FFY 89	91,283	120,717	53,000	$ 0	N/A	265,000
	FFY 90	84,937	252,100	80,963	0	N/A	418,000
	FFY 91	0	190,887	102,313	111,800	$ 17,000	422,000
Percent Distribution of Funds Over Time	FFY 87	78.0	7.0	15.0	N/A	N/A	100
	FFY 87S	66.3	18.7	15.0	N/A	N/A	100
	FFY 88	77.0	8.0	15.0	N/A	N/A	100
	FFY 89	34.4	45.6	20.0	0%	N/A	100
	FFY 90	20.3	60.3	19.4	0	N/A	100
	FFY 91	0.0	45.2	24.2	26.5	4.0	100

	PROVIDER/ACTIVITY		SOURCE	LEVEL
Matching Funds for ESG Allocations for FFY 91	RHFS	OPS, ES	Private donations	Provider
	LSYC	OPS	Foundation and corporation grants	Provider
	Red Cross	HP	St. Anthony Foundation	Provider

KEY: C/R/R=conversion, renovation, rehabilitation OPS=shelter operations ES=essential services
HP=homelessness prevention AD=administration
N/A=Not Applicable—HP not separate from ES until FFY 89; AD not eligible activity until FFY 91.

housing agency is not very productive. Although the city has 23,000 assisted housing units (seven percent of the total housing stock), the wait for assistance is at least six months.[21]

There are continuing needs for additional emergency shelter beds and services in San Francisco. The Mayor's Office estimates that the shortfall in shelter beds is about 50 percent for all segments of the homeless population, but especially for single men and families. There are still numerous homeless people on the streets. Homelessness prevention funding is available for only one-third of those who apply.

There is also a considerable need for intensive case management and other services: employment counseling; health care; and mental health care (especially for those who are severely mentally ill or have been living on the streets for a long time). Because youth who are homeless need stabilization over a longer period of time than initially anticipated,[22] there is a need for a very high ratio of case workers to clients. This is particularly true of Larkin Street; the agency has found that if a youth is in crisis (e.g., has just been beaten or raped), he or she needs immediate, undivided attention. Other providers, like the Red Cross, have determined that the homelessness prevention program cannot succeed unless it is accompanied with quality case management.[23] In sum, increased case management requires merged funding. Since well-funded and well-targeted programs can help some, not all, of the homeless who find themselves in need of emergency shelter, it is important to expand rather than contract the services available to them.

12.4 Impact

Each of the three selected service providers receiving ESG support in San Francisco reports that these funds have been particularly important. According to the various providers, the ESG grant has made a big difference to their programs. Since it pays for a night shelter case manager, it allows the agency to offer services to families at any hour when the clients have

---

[21] *San Francisco CHAS*, p.41.

[22] According to Larkin Street's review of records, it takes an average of one year to meet the needs of these children and youth before they can be stably housed.

[23] Quality can cover a lot of issues. A key one is the caseload. Overloading good case managers does not lead to quality service.

needs and are seeking assistance. Where the services offered have been expanding, the ESG funding has allowed the agency to cope with increasing operating costs, while they use other unrestricted funds for delivery of a wide range of services. Although many of the services providers in the city have had to lay off staff, Larkin Street has been able to expand its level of services and staffing that provide services. Yet despite the size of the local contributions, the agency usually operates with only a one-month cash reserve. Another program manager indicated that one of the advantages of the ESG funding is that it allows their agency to fund individuals, while other sources of homelessness prevention funds (e.g., The Season of Sharing) restrict the use of those funds to families. Coordination of the homelessness prevention grants, based on a systematic assessment of the families' ability to stay permanently housed allows the agency to target the funds to families who can succeed.

Each of these providers has achievements to tout. Richmond Hills Family Center has served 67 families in the first year of operation. Follow-up of clients has demonstrated that approximately 70 percent stay housed, either in a permanent or transitional setting during the first year. Larkin Street Youth Center is equally pleased with its graduates. Sixty-two percent get off and stay off the street. Some go into foster care, or go home, while others manage to settle in their own apartments or a transitional shelter. The Red Cross's follow-up of clients shows that 80 percent of those receiving grants are still in housing or have upgraded their housing after one year.

The ESG regulations received a few comments. Restricting ESG funding to new positions only is viewed as overly restrictive; the providers need to be able to fund the case management slots, even if they are not additional slots. Changes in the schedule and funding levels for the ESG program from year to year create havoc for the grantees and the services providers. All would much prefer a program that ran on a fixed schedule. Finally, some would prefer to see the ESG combined with other targeted funding for the homeless, into one large block grant, so that local areas could develop better strategic plans for how to administer all the funds.

CHAPTER 13

EMERGENCY SHELTER GRANTS PROGRAM EVALUATION

SITE PROFILE: ALLEGHENY COUNTY, PENNSYLVANIA

13.1 Site Overview

Allegheny County is an urban county lying on the western edge of the state of Pennsylvania. The county is made up of several small and medium-sized towns, and is fairly large in size (1.3 million people in 1990), although it has declined in population since the last Census.[1] The city of Pittsburgh, with a population of almost 400,000, is located within Allegheny County lines. The county, once prosperous and filled with mills, has deteriorated with the decline of the steel industry. Although the unemployment rate has averaged slightly below the national average in recent years, most jobs replacing the steel industry are minimum-wage positions. These low-income jobs do not adequately support housing and basic living costs, and represent downward mobility for steel workers accustomed to higher earning power.

Both Allegheny County and the city of Pittsburgh receive Emergency Shelter Grant Program (ESG) funding. The county and the city have a cooperative allocation process in which the county funds the city, even though Pittsburgh is an entitlement community with its own ESG funding.

Homeless issues are addressed through a comprehensive County Homeless Plan which includes both the county and the city of Pittsburgh. Through its ESG grant, Allegheny County funds many shelters and providers in Pittsburgh as well as in the rest of the county. The county and city officials in charge of the ESG work together to decide funding allocations from both ESG awards in Pittsburgh agencies. Prior to the ESG, there was not much cooperation between the city and the county. "In fact, it was ESG that helped build a bridge to the city of Pittsburgh in terms of cooperation," according to the Allegheny County official in charge of the grant program. This cooperation "has since extended to many other housing and community programs."

---

[1] *The Allegheny County Housing Comprehensive Housing Affordability Strategy, Five Year Plan, October 1,1991 - September 30, 1996*, Allegheny County Department of Development, Allegheny County, Pennsylvania, October 23, 1991, p. 4.

According to the Comprehensive Housing Affordability Strategy (CHAS) Five-Year Plan, Allegheny County had anywhere from 1,400 to 1,700 homeless persons in 1991. In addition, estimates from the area's homeless providers indicate that between 5,000 and 7,000 persons are at risk of becoming homeless at any given time.[2] Interviews with providers and local officials, supplemented by published data, indicate that over the past decade there has been an increase in homelessness in Allegheny County in all sub-groups: homeless families; single men; single women; and special needs populations (such as the mentally ill, drug and alcohol abusers, and AIDS patients). County officials noted that they have recently seen a significant growth in the number of homeless families and homeless single women, many of whom are drug abusers. In general, a county planner noted, "the homeless are more visible and more militant. There seem to be many more men and women on the streets in downtown Pittsburgh, just over the past year or two. "Initial efforts to organize a local response to homelessness were begun in the Pittsburgh area in the early 1980's by the Urban League (a private, nonprofit organization) and the Pittsburgh Urban Redevelopment Authority (a government agency), both of which recognized that "although the Pittsburgh area has always had a number of transients who lived under bridges, in parks, or in boarded up buildings, homelessness emerged as a problem of major proportions at the beginning of the past decade; it seemed as if overnight, hundreds of people were without homes."[3] The original ad hoc community group led to the subsequent appointment of a more formal group, the Homeless Steering Committee, whose members represent a wide range of community service providers. The Steering Committee is still the major non-governmental body for coordinating homeless services countywide.

The physical topography of Pittsburgh and the Monongahela Valley influence the homeless problem and the general housing market in Allegheny county. The effects are both positive and negative. A recent article in the *Washington Post* on the approach to homelessness in Pittsburgh notes that "the rivers, bridges and tunnels that carve the city into geographically separate neighborhoods also have served to break the homeless problem down into manageable

[2] *Ibid.*, p. 6.

[3] *Prevention of Homelessness in Allegheny County: A Three Year Plan of Action*, The Steering Committee for Housing and Related Services to Homeless Persons in Allegheny County, October 18, 1991, p. 1.

chunks."[4] From a housing market perspective, while Allegheny County is neither large in population size nor large in terms of the number of households who reside there, . . . it contains at least 130 housing submarkets if not many more."[5]

At the same time, the separation created by the mountains and rivers has led to a very parochial neighborhood system. Families and individuals are reluctant to move from their own neighborhood for any reason; it is very common, for instance, for families to refuse to accept a vacant unit in public housing if it is located in another part of the county. Similarly, many providers comment that shelters must be located in every neighborhood because people refuse to leave their neighborhood even for shelter, and because the mountains create transportation problems that make it difficult for the poor to get from one area of the county to another. Bus service exists in the area, but mostly serves to transport the public from the outer suburbs to downtown Pittsburgh and back. Thus, movement intra-county is expensive and time-consuming for those in extreme poverty.

A further disturbing influence of the geographically parochial system is the racial and ethnic segregation that pervades the Allegheny County area. Most of the providers and county officials interviewed for this profile agreed that:

> The housing markets of McKeesport, Penn Hills, Pittsburgh and Allegheny County are invidiously divided along lines of class and race. If you are poor, a racial minority, a woman with children, or a person with a severe mental or physical disability, your housing choices are severely limited. As a result, your access to quality schools, decent neighborhoods, and employment opportunities is also restricted.[6]

The racial segregation in the community has several implications for homeless providers and city planners. First, placing homeless persons in permanent housing becomes more difficult because people will not accept a vacancy in public or Section 8 housing unless it is in a location

---

[4] "Pittsburgh Finds Diversity Works in Fight on Homelessness," *The Washington Post*, March 31, 1990, p. A3.

[5] *Impediments to Fair Housing Choice: Allegheny County, McKeesport, Pittsburgh and Penn Hills, Final Report*, prepared for the Greater Pittsburgh Community Housing Resource Board, Inc., by Robert Beauregard and Robin Jones, June 1992, p. 86.

[6] *Ibid.*, p. i.

where they feel comfortable (i.e., in a neighborhood that is racially acceptable). Public housing developments in Allegheny County tend to be concentrated in minority-segregated communities, and the makeup of the tenant population reflects those communities. This resulted in a recent investigation and censure of the Allegheny County Housing Authority by HUD. Second, many homeless will not seek shelter in other parts of the county, even if they know services are available. Finally, racial bias and segregation limit economic opportunities for the homeless, making it harder to achieve housing stabilization. Racial issues are particularly important to consider in addressing homeless problems in the county because African-Americans are disproportionately affected by homelessness. A 1991 survey of all shelter facilities indicates that the homeless population was 50 percent African-American and 50 percent white, even though African-Americans comprise only about 11 percent of the total county population.

Providers and County officials interviewed included:

- Allegheny County Department of Development (Grantee Agency);
- Action Housing, Inc. (ESG-funded provider);
- Salvation Army Northside Corps. (ESG-funded provider);
- Debra House (ESG-funded provider); and
- Catholic Charities of Pittsburgh's Rosalia Center (ESG-funded provider).

13.2 Program Description

The ESG in Allegheny County, Pennsylvania, is administered by the County Department of Development, Housing Division. The Housing Division also administers homeless programs funded from two other federal sources, Community Development Block Grants (CDBG) and Federal Emergency Management Agency (FEMA), as well as a state grant for homeless services. (Other federal homeless programs are administered by the Department of Mental Health and the Department of Aging.) The Housing Division's total budget for homeless services in 1991 was $536,000. Of this, federal funds comprised about 80 percent and state funds about 20 percent. The ESG grant for the county in 1991 was $336,000, 63 percent of the homeless budget.

Allegheny County maintains a separate application process for ESG funds. To make the funds available, the county and the city of Pittsburgh work together to distribute Request for Proposals (RFPs) to all shelters and other providers, with the applications being collected by the city. The city and county officials then sit down to evaluate the applications. ESG funds are currently targeted by the county mostly toward operations to keep existing shelters open, although there is a shift toward homelessness prevention. In 1991, of the County's $336,000 ESG grant, 61 percent was allocated to operations, 18 percent toward homeless prevention, 13 percent toward essential services, five percent toward administration, and three percent toward conversion or rehabilitation.

Exhibit 13.1 contains a range of information about the four Allegheny County providers that were included in the site visit. Of the four providers visited in Allegheny County, one used 1991 ESG funds for essential services and prevention, two used the funds for operations only, and one used the grant for operations and rehabilitation. The nature of the programs of these providers is diverse: the Salvation Army Northside is a day facility for any homeless person, the Rosalia Center is a transitional shelter for unwed pregnant women, Action Housing is a large community development organization providing counseling and homeless services among its other development activities, and Debra House is a transitional shelter for homeless women with children.

The ***Salvation Army Northside*** is one of several Salvation Army facilities and services in the county. The Northside facility provides a number of homeless services: emergency help with food, clothing and furnishings; referrals to other agencies for anyone in need of assistance; youth programs, and a counseling program for youth at risk of dropping out of school. It also operates a daytime drop-in shelter supported in part by the ESG grant. The daytime shelter, which has been in the same location for 10 years, is open Monday through Friday from 8:30 AM to 2:30 PM to all persons, with no admission criteria. The primary group served by the Northside day shelter is homeless men. The shelter's director estimates that 80-90 percent of their clients are homeless men with mental health problems, and that approximately 75 percent of all the homeless in Pittsburgh are concentrated in the North Side neighborhood.

The Salvation Army shelter offers hot showers and grooming supplies, laundry facilities, and drop-in counseling programs for mental health treatment, health services, veterans assistance, and legal counseling. The shelter also operates a food service for lunch three days a week plus coffee and donuts in the mornings. Clients can sleep at emergency night shelters operated elsewhere by the Salvation Army or other providers, and they can eat the other days of the week at another Salvation Army facility.

Exhibit 13.1

Emergency Shelter Grants Program
Characteristics of Allegheny County, Pennsylvania Providers

Provider Characteristics	Selected Providers in Allegheny County, Pennsylvania			
	Action Housing, Inc., Braddock	**Salvation Army Northside Corps, Pittsburgh**	**Debra House, Braddock**	**Rosalia Center, Pittsburgh**
Type of Organization	Private, non-profit agency	Private, non-profit agency	Private, non-profit agency	Private, non-profit agency
Year Begun	1957	1983	1985	1986 (in this facility)
Year Began Serving the Homeless	1989	1983	1988	1972
Populations Served	Homeless and at-risk families	Any homeless persons; families and individuals in need of assistance	Homeless women with young children	Single pregnant women
History of ESG Funding				
FFY 87S	$ 0	$ 0	$ 0	$ 0
FFY 88	0	0	0	0
FFY 89	35,000[1]	0	0	0
FFY 90	35,000	40,000	0	18,600
FFY 91	59,000	30,630	21,000	22,000
ESG-Supported Activities	Essential Services	Operations	Operations, Rehab	Operations
Other Activities Serving the Homeless	Emergency food; housing search	Emergency food; clothing; laundry facilities; counseling	Essential services (case management)	Essential services; academic tutoring; outreach and counseling for adoption

[1] Only $32,000 was actually spent.

Exhibit 13.1, continued

Provider Characteristics	Selected Providers in Allegheny County, Pennsylvania			
	Action Housing, Inc., Braddock	**Salvation Army Northside Corps, Pittsburgh**	**Debra House, Braddock**	**Rosalia Center, Pittsburgh**
Total FY 91 Budget[2] and Percent from ESG	$136,000 43%[3]	N/A	$349,492[4] 6.0%	$229,000 9.6%

[2] Cash budget for homeless activities, for the year in which FFY 91 ESG funding was received.

[3] A separate budget for this program is not available but ESG funds most of the program, which has only one full-time employee.

[4] Budget figure includes in-kind contributions.

The 1991 ESG grant of $30,630 to the Salvation Army Northside Shelter was used for operations. Approximately $17,000 paid for utilities, while about $13,500 was used for supplies and for minor refurbishing of the shelter facilities. The refurbishing included some new kitchen equipment, new furniture, a new television set, and better air conditioning equipment.

Action Housing, Inc. is a large nonprofit corporation operating in Allegheny County with a broad range of services, from housing finance and development of homelessness prevention services as well as other community counseling services. The ESG grant is used to fund essential services and homelessness prevention counseling delivered through their Homeless Families Program. This program is designed to help the homeless and at risk who want to move to public or other subsidized housing. Action Housing operates this program from the offices of Debra House in Braddock (a few miles from downtown Pittsburgh), to be close to the Allegheny County Housing Authority (with which it works closely). The program provides help to clients in many areas: legal help, classes in life skills and budget management, and food and furniture vouchers when they do move into a new home. Action Housing does not provide shelter but does work closely with shelter providers as well as the local government housing programs. Similarly, the agency does not provide direct homelessness prevention assistance, such as payment of rent or utilities, but does refer clients to agencies that do provide these services. The FFY 91[7] ESG funding supported classes in life skills and budget management; at-risk clients who completed the classes were given food and furniture vouchers provided by the Salvation Army.

The Rosalia Center, operated by Catholic Charities, is located in an old mansion on the campus of Carnegie-Mellon University. Open since 1986, the Center serves as a transitional shelter for pregnant, homeless women; it also provides outreach and counseling services to parents who are interested in placing their children for adoption or in developing better parenting skills. The shelter houses 18 clients at one time and serves about 65 residential clients per year, including infants. Rosalia Center screens prospective clients and does not admit substance abusers, mental health patients, or those with special needs so severe that they cannot be cared for at the Center.

[7] The fiscal years pertaining to federal allocations of ESG funding are labelled FFY (Federal Fiscal Year), to distinguish from the fiscal years of the agencies receiving ESG grants.

The Rosalia Center has received ESG funding for three years and has applied for a fourth grant. The agency's overall annual budget last year (including other services) was $423,000, of which $229,000 was used to operate the shelter facility. ESG funds are used in the shelter, mostly for operations. In 1991, the Center's entire ESG grant of $22,000 was used for operations. Of this, approximately $5,000 was used to pay for minor equipment and refurbishing, and the remainder was used for utilities.

Debra House is part of a community group called Bridge to Independence, organized in 1985 to help the poor in Braddock and surrounding communities. Braddock is a former steel mill town located just outside of Pittsburgh in the Monongahela Valley, and is a microcosm of the many economic problems experienced by towns in the Pittsburgh area when most of the steel mills closed and were not replaced by other sources of employment. Braddock was once a thriving, small town nestled in the mountains. Since the mills closed, the downtown has been boarded up and largely abandoned, and there are few economic opportunities for those still living there. The housing stock is old and dropping in value; there is little capital available for repairs, so even those who have homes may be living in substandard conditions. Braddock was the recent subject of a National Public Radio segment profiling the history of the town and how its citizens are making a desperate effort to keep it alive.

Debra House provides transitional housing, for up to 18 months, for about 15 women and their children. The shelter contains furnished, private living space and access to common shared areas, including a spacious kitchen with separate cooking areas. Debra House also provides individual case management for each client, including counseling and other services. Admission requirements for the Debra House include the following: clients must be homeless, single women with young children; must meet income guidelines; and must have no access to permanent housing. Clients must also demonstrate motivation to participate in a program to achieve self-sufficiency.

Debra House has received ESG funding for two years: $21,000 in FFY 91 and $25,000 in FFY 92. Approximately $11,000 of the 1991 grant was used for utility payments (operations), and $9,000 was used for a new roof for the facility.

13.3 Implementation

Allegheny County first received ESG funding in FFY 87, in the first allocation of the program. Exhibit 13.2 shows Allegheny County's allocation of ESG funds over time among the categories of eligible activities. In the early years of the program, ESG funds were allocated only to conversion and renovation or to operations. Starting in 1990, the use of ESG funds shifted away from renovation and construction; in FFY 91, only five percent of ESG funds were spent on this activity. County officials explained that their "first priority is to keep existing facilities open." However, homeless prevention activities and essential services are also receiving priority, and these activities will be even further emphasized in the FFY 93 ESG funding round.

Allegheny County and the city of Pittsburgh work together to allocate their ESG awards, since Allegheny County funds providers in Pittsburgh with part of the County ESG allocation. During the last few years, ". . . the City and the County have utilized a loosely-formed consortium of government employees from City Planning, the Urban Redevelopment Authority, and the County Departments of Development and Aging to facilitate the allocation of HUD Emergency Shelter Grant funds. This group has worked well to foster the aforementioned policy [to combat homelessness in a comprehensive manner]."[8] The interagency committee notifies all providers in the area, whether or not previously funded. The committee maintains an active list of homeless organizations, and many organizations are aware of the grant through their participation in a Quarterly Homeless Advisory Committee and other homeless coalition groups. The committee makes the ESG funding decisions; there is no further level of review.

The county performs active monitoring of its ESG grantees and provides active technical assistance. All providers visited for this evaluation said they were in contact with the Housing Division ESG officials almost weekly for assistance and for answers to questions on a variety of homeless issues and services; all were quite pleased with the county's level of support. However, they did not feel that the local HUD Field office was sufficiently knowledgeable or helpful in providing implementation assistance for the ESG Program.

The Housing Division's long-term strategy to deal with the problem of homelessness is to create more affordable housing in the Allegheny County area. Priorities for ESG funding are set from the needs indicated by the providers who apply for the funds, but grantee officials

[8] *Allegheny County CHAS, 1993 Annual Plan*, p. 14.

Exhibit 13.2
ESG Funding History and Match Sources:
Allegheny County, Pennsylvania

		C/R/R	OPS	ES	HP	AD	TOTAL
History of ESG Funding	FFY 87[1]				N/A	N/A	$ 44,000
	FFY 87S	$147,775	$72,225	$ 0	N/A	N/A	220,000
	FFY 88	4,800	30,200	0	N/A	N/A	35,000
	FFY 89	65,410	114,590	0	$ 0	N/A	215,000
	FFY 90	81,430	198,671	22,899	35,000	N/A	338,000
	FFY 91	9,900	206,987	43,313	59,000	$16,800	336,000
Percent Distribution of Funds Over Time	FFY 87	0%	0%	0%	N/A	N/A	100%
	FFY 87S	67	33	0	N/A	N/A	100
	FFY 88	14	86	0	N/A	N/A	100
	FFY 89	47	53	0	0%	N/A	100
	FFY 90	24	59	7	0	N/A	100
	FFY 91	3	61	13	18	5%	100
	PROVIDER/ACTIVITY		**SOURCE**				**LEVEL**
Matching Funds for ESG Allocations	AH	ES	In-kind (Salvation Army Vouchers, volunteer hours)				Provider
	SA	OPS	State; private contributions; in-kind				Provider
	DH	OPS, C/R/R	State; in-kind				Provider
	RC	OPS	State; private contributions				Provider

KEY: C/R/R=conversion, renovation, rehabilitation; OPS=shelter operations; ES=essential services
HP=homelessness prevention; AD=administration; AH=Action Housing
AH=Action Housing; SA=Salvation Army; DH=Debra House; RC=Rosalia Center
N/A=Not Applicable—HP not separate from ES until FFY 89; AD not eligible activity until FFY 91.

[1] Breakdown of categories not available.

reiterated that "The continuation of the operation of existing shelters is of paramount importance, as opposed to creating new facilities unless there is an extreme rise in the homeless population." While county officials also mentioned the need for more homelessness prevention services, the grantee felt that funds were fairly allocated among these categories in terms of the limitations on essential services and prevention.

The providers use their ESG funds for a variety of purposes, although the bulk of the shelter operators' ESG funds were used to pay for operating expenses. All felt that the flexibility of the ESG program is key to its success; the providers noted that, as their needs or other funding sources changed, they would be able to change their ESG funding priorities.

13.4 Impact

The grantee rated the ESG program a "5" on a five-point increasing scale in terms of its impact on improving or expanding the program of homeless services in Allegheny County. Of the 363 emergency shelter beds in the County, the Housing Division estimates that 75 percent were created by ESG funding, which was heavily used in the first several years of the program for renovation and conversion of shelters. ESG funds are also viewed as increasing the level of private donations and support of shelters. The Alle-Kiske Area Hope Center, for example, was started with ESG funds, but now has a high level of private support and holds very successful annual fundraisers. The grantee believes that the center could not have been opened without ESG funding, but it has operated without further ESG support. It is believed that ESG monies provided the impetus for the creation of many of the existing facilities in the county.

An unquantifiable impact of the ESG program is that is has fostered both formal and informal cooperation between the city of Pittsburgh and the county on homeless and other housing issues. However, County Housing officials fear that, if their ESG allocation is cut by one-third next year according to the 1993 appropriation, then they will be forced to allocate all of their funding to the Allegheny Entitlement area, which excludes Pittsburgh. This will have a negative impact on providers in Pittsburgh and possibly affect relations between the city and county.

The providers also expressed a uniformly top rating of the impact of the ESG program. All of the providers said that the funds were critical to their programs' success. Several felt that they would have to close their doors without ESG funds to use for operational expenses. And the providers that had used ESG funds for minor refurbishing (new kitchen equipment in the Northside Salvation Army facility, the new roof at Debra House, some new furnishings and equipment at the Rosalia Center) all felt that it dramatically improved the quality of life and services they could offer to their clients.

In summary, there were three unique aspects of the Allegheny County site: the topography of the area and how it affects (directly and indirectly) the housing market and homeless problems, particularly with public and assisted housing vacancies; the extreme racial segregation and parochial outlook of the residents of the county; and the fact that the county and the city had a formal, cooperative allocation process, whereby the county agreed to fund the city even though it is an entitlement jurisdiction with considerable ESG funding of its own.

CHAPTER 14

EMERGENCY SHELTER GRANTS PROGRAM EVALUATION

SITE PROFILE: JEFFERSON COUNTY, ALABAMA

14.1 Site Visit Background

Jefferson County, located in north central Alabama, is part of the Birmingham Metropolitan Statistical area which consists of Blout, Jefferson, Shelby, St. Clair, and Walker Counties. With a population of 651,525 in 1990, a decline since 1980, it is still the most populous county in the state accounting for 16.1 percent of the total.[1] Jefferson County stands out among Alabama counties on several other dimensions -- it contains: 21.6 percent of all rented dwellings in Alabama; 22.5 percent of owner-occupied homes; 19.9 percent of rental units constructed before 1940; 15.8 percent of housing units occupied by people who are classified as poor; six percent of housing units lacking complete plumbing; and 13.9 percent of housing units that are overcrowded. Of the additional housing units needed for low-income families, 22.1 percent are needed in Jefferson County.[2]

To better address the county's economic and development issues through the Community Development Block Grant (CDBG) Program, Jefferson County created the Jefferson County Community Development Consortium (all of Jefferson County outside the cities of Birmingham and Bessemer, two independent CDBG entitlement areas). The 1990 population of the Jefferson County Consortium was 352,060 residents of unincorporated areas and 29 municipalities. Thirty-nine percent of the households were considered low- or lower-income, and 13 percent of the residents were black.[3]

Homelessness in the Birmingham/Jefferson County area is a significant problem. While estimates of the numbers vary, the 1991 Comprehensive Housing Affordability Strategy (CHAS) cites nine different studies of homelessness in the area that indicate there are between 600 and

---

[1] *State of Alabama Comprehensive Housing Affordability Strategy (CHAS), Fiscal Year 1992 (October, 1991 Submission).* Alabama Housing Finance Authority, p. 124.

[2] *Ibid.*, pp. 12, 137, 14, 93, 89, 36 and 63, 37 and 64.

[3] *Jefferson County, Alabama, Comprehensive Housing Affordability Strategy (CHAS), October 1991.* Jefferson County Office of Planning and Community Development, p. c-2.

900 homeless persons on a given day, a number that far exceeds the 455 emergency shelter beds that are available.[4] This CHAS document also reports recent research on homeless shelters and service providers (including soup kitchens) showing other large numbers: approximately 1542 persons are fed in four soup kitchens on an average day; and between 2,000 and 2,600 persons are fed per week. All these figures point to the magnitude of the need, which has increased sharply in the past five years, especially among women, adults with children, and intact families.[5]

Those who are currently homeless in the Birmingham/Jefferson County area are typical of many homeless populations nationwide. The Jefferson County CHAS provides the following general description:[6] "They include young and old, black and white, men, women, and children, single persons and families, the healthy and the ill, the handicapped and the impaired."[7] The area also has a substantial number of homeless men and women who suffer from severe mental illness or the effects of substance abuse. Services for the latter groups are few, and although most shelters in the area try to serve as many of these people as possible, some are too disruptive to the rest of the shelter population to be served in the same environment. Another recently identified homeless group, still small but expanding, is persons with AIDS.[8]

In addition, many households in Jefferson County are at risk of becoming homeless because of the amount of substandard housing in the area. Within the Jefferson County Consortium it is currently estimated that there are 11,029 substandard housing units (9.3% of all owner-occupied[9] and rental units). Living in these units are over 10,000 low-income households, including a disproportionate percentage of minority households (44 percent, compared to 17.5

---

[4] *Ibid.*, pp. 1A-2, 2-21.

[5] *Ibid.*, pp. 1A-4, 1A-6.

[6] For more detail, based on a study conducted in 1987 on the homeless in Birmingham, see the site profile for the city of Birmingham.

[7] *Jefferson County CHAS*, p. 1A-2.

[8] *Ibid.*, pp. 1A-2 through 1A-6.

[9] Poverty is found among homeowners as well as renters. Some second- and third-generation families who own homes in the area can afford to pay taxes or maintenance but cannot afford both. When these homes are no longer inhabitable, the families become homeless.

percent of all households) and households headed by women (29 percent of low-income owner households and 39 percent of low-income renter households, compared to 23 percent of all households).[10] "The concern [is] that a large number of people are living in dangerously substandard conditions and, without intervention, could become homeless."[11]

The employment situation is also exacerbating the homeless problem. Jefferson County has lost much of its employment base for low-skilled labor. When the steel industry closed and was replaced by the health care industry and high technology, the old day-labor jobs in the area vanished.

Jefferson County, Alabama is one of the entitlement areas of the state that is eligible to receive a separate allocation of federal funds from the ESG. It was selected for intensive study in this evaluation for two reasons: it is an entitlement area surrounding an entitlement city (Birmingham); and the state of Alabama uses both Jefferson County and the city of Birmingham as recipients of the state of Alabama's own ESG grant. That is, the Alabama Department of Economic and Community Affairs (ADECA) distributes its ESG funds to Jefferson County, Birmingham, and other localities in the state, giving them authority over use of the funds in the local areas.

Given the three flows of ESG funding coming into the area, what would Jefferson County's strategy be? Similar to other "old South" areas, Jefferson County has not been willing to use any local government funds to support the needs of the homeless. Although it has developed a CHAS document with priority on addressing the needs of the homeless, the county has not yet been successful competing for other sources of federal funding. As a result, funding for programs serving the homeless has been minimal. In FFY 91[12], the county used all of the ESG allocations it received and an additional $10,630 in CDBG funding for the Homes for the Homeless Program, but added nothing else.

---

[10] *Jefferson County CHAS*, pp. c-2, 1-5, 2-8.

[11] *Jefferson County, Alabama, Preliminary Comprehensive Housing Affordability Strategy (CHAS), 1993 Annual Plan*, Jefferson County Office of Planning and Development, p. c-9.

[12] The fiscal years pertaining to federal allocations of ESG funding are labelled FFY (Federal Fiscal Year), to distinguish from the fiscal years of the agencies receiving ESG grants.

Among the numerous visits made to various grantees, recipients, and services providers in Alabama, representatives from the following offices were interviewed:[13]

- Jefferson County, Office of Planning and Community Development (the grantee agency);
- Cooperative Downtown Ministries' Old Firehouse Shelter (ESG-funded provider);
- Jefferson County Housing Authority (ESG-funded provider); and
- Bread and Roses Hospitality Inc. (ESG-funded provider).

14.2 Program Description

Jefferson County's Office of Planning and Community Development administers ESG funds from two sources: its direct entitlement from HUD; and its funding from the ADECA. Although Jefferson County's entitlement to ESG funding is independent of the city of Birmingham's, its use of those funds is focused on the city. All providers receiving ESG funding from Jefferson County, except the Jefferson County Housing Authority (located in Fultondale) are located in the city of Birmingham.[14] For FFY 91, Jefferson County's use of ESG funding from both sources is shown in Exhibit 14.1.

Of the provider agencies receiving ESG funding from Jefferson County's ESG grants, three were visited: the Cooperative Downtown Ministries' Old Firehouse Shelter in Birmingham; the Jefferson County Housing Authority in Fultondale; and Bread and Roses Hospitality Inc. in Birmingham. Exhibit 14.2 contains information on these homeless-services providers, one of which has been receiving funding from Jefferson County since FFY 87S, the county's first ESG entitlement allocation.

---

[13] See also the site profiles for the city of Birmingham and the state of Alabama. These reports indicate how ESG funds from three sources are applied to services for the homeless in one geographic area.

[14] Recognizing this administrative overlap and wanting to examine how the complex administrative structure for ESG in Alabama functions, we carefully chose service providers for the city of Birmingham site that *did not* receive FFY 91 ESG funds from Jefferson County. On the other hand, we chose one service provider for the state of Alabama site visit that also received funds from the both the city of Birmingham and Jefferson County. Finally, we chose service providers for the Jefferson County site visit that received funding from more than one source.

Exhibit 14.1

Allocation of ESG Funds by Jefferson County

Provider	Allocation from HUD	Allocation from ADECA	Funded Activity
Cooperative Downtown Ministries	$ 6,000	$7,440	Operations
Jefferson Co. Housing Authority	$10,000	$6,200[15]	Operations
Bread and Roses Hospitality Inc.	$10,000	$8,190	Operations
Pioneer House (elderly shelter)	$40,000	$26,431	Conversion, renovation, rehab
Totals:	**$66,000**	**$48,261**	

Birmingham's ***Old Firehouse Shelter***[16] was opened by the Shelter Work Group of the Greater Birmingham Ministries in 1983, to serve the needs of the homeless in downtown Birmingham. It is currently operated by Cooperative Downtown Ministries, the administrative body for this shelter alone. This shelter has received ESG funding from ADECA through the city of Birmingham since 1988, primarily for operations (utilities, insurance, security, and supplies). In FFY 91, it also received ESG funding from three other sources: from ADECA through Jefferson County; from the city of Birmingham's ESG entitlement; and from Jefferson County's ESG entitlement. With the exception of the Jefferson County grant (for a combination of operations, essential services, and homelessness prevention), all of the ESG funds have been used to support operations.

[15] The State of Alabama's intention was to allocate these funds for homelessness prevention. However, due to a misinterpretation of the ESG regulations by the state administrator and the local HUD program officer, the funds had to be reallocated and used to support operations.

[16] The full description of its program is included in the site profile for the state of Alabama, Chapter 1.

Exhibit 14.2

Emergency Shelter Grants Program
Characteristics of Jefferson County, AL Providers

Provider Characteristics	Selected Providers in the State of Alabama											
	Cooperative Downtown Ministries, Old Firehouse Shelter (FS), Birmingham				Jefferson County Housing Authority (JCHA), Fultondale				Bread & Roses, Birmingham			
Type of Organization	Private, Non-profit				Private, Non-profit				Private, Non-profit			
Year Begun	1983				1953				1982			
Year Began Serving the Homeless	1983				1989				1982			
Populations Served	Single men (overnight); Any homeless person (day program or soup kitchen)				Single parent and two parent families with children				Unaccompanied women and women with children			
History of ESG Funding	State to		HUD to		State to		HUD to		State to		HUD to	
	City	County	City	County	City	County		County	City	County	City	County
FFY 87	$ 0	$ 0	$ 0	$ 0								
FFY 87S	0	0	0	0						$23500		
FFY 88	1400	0	0	0						7000		
FFY 89	0	0	0	0								
FFY 90	11000	0	0	0						28000		$10000
FFY 91	5660	7440	29300	600		$ 6200		$10000	$5660	8190	$20000	10000
ESG-Supported Activities	FFY 88, 90, 91: Operations FFY 91 (Jefferson Co.): Operations, Essential Services, Homelessness Prevention				FFY 91: Operations, Homelessness Prevention				FFY 87, 88, 90 (state): Renovations; FFY 91 (state): Renovations and Operations; FFY 90-91 (Jefferson County): Operations			
Other Activities Serving the Homeless	Day program of essential services; soup kitchen				Essential services; homelessness prevention (first month's rent); day care assistance				Essential services; homelessness prevention			

Exhibit 14.2, continued

Provider Characteristics	Selected Providers in the State of Alabama		
	Cooperative Downtown Ministries, Old Firehouse Shelter (FS), Birmingham	**Jefferson County Housing Authority (JCHA), Fultondale**	**Bread & Roses, Birmingham**
Total FY 91 Budget[1] Percent from ESG	$226,127 State: 5.9% Total: 21.4%	$64,004 25.3%	$279,000 County: 6.5% Total: 15.7%

[1] Cash budget for homeless activities, for the year in which FFY 91 ESG funding was received.

Receiving ESG Program funding from numerous sources is both a blessing and a burden. ADECA, the city of Birmingham, and Jefferson County have three different fiscal years and three different monthly reporting schedules. To claim reimbursements for ESG allowed expenses, the director must file separate reports three out of four weeks of each month.

Jefferson County's Housing Authority, based in Fultondale, has operated public housing since 1953 and now manages 510 public housing units, 685 Section eight certificates and 139 Section 8 vouchers.[17] It has been actively offering counseling services for job, budget, family/housing issues, day care assistance and transportation to homeless and at-risk persons for several years. In 1989, the housing authority began responding to the increasing needs of homeless families by leasing eight single family homes in various locations throughout the county (at $1 per year) and offering these homes to selected families for up to six months. An occasional family may receive an extension, if it is close to the top of the Section 8 waiting list. Most families assisted, typically a mother and two children, are referred by shelters in the area. The Jefferson County Housing Authority operates this transitional housing program with ESG funding from two sources: Jefferson County's own entitlement; and the funds allocated to Jefferson County from ADECA.

All of the FFY 91 ESG funding from both sources were used for operations, in the form of maintenance and utility payments. This was not the original intent of ADECA's allocation, however. Initially, $6,200 was to be used for homelessness prevention; however, these funds ultimately had to be reallocated and used for operations. Delayed processing of funds created the situation. First, FFY 91 ESG funding became available to the state of Alabama on May 23, 1991; ADECA obligated the funds to Jefferson County on May 24, 1991,[18] and Jefferson County obligated the funds to the providers on November 19, 1991 (four days before the end of ADECA's first 180 days). Then, when HUD's local Field Office ruled that all of the homelessness prevention funding had to be spent within ADECA's 180-day limit, it was too late for most of the providers in the state to use any of the homelessness prevention funding for that purpose. Jefferson County Housing Authority then applied for and was granted permission to use the $6,200 for operations.

[17] *Jefferson County CHAS (Preliminary 1993)*, p. B-11.

[18] It took until October 1, 1991 for the city of Montgomery's ESG funds to be obligated.

The Jefferson County Housing Authority's transitional program, with a total of 31 beds, can serve both large and small families in homes ranging from two to four bedrooms. The total operating budget for this program in FFY 91 was $64,004, with the ESG funds slightly over 25 percent of the total. Besides ESG, the Housing Authority's transitional housing program is supported with CDBG funds; CDBG was the source of the original $80,000 needed for rehabilitation and continues to fund ongoing operations of the eight houses plus delivery of essential services.

Bread and Roses Hospitality Inc. is the umbrella agency operating two shelters and two transitional homes in Birmingham. Founded in 1982 to address the fastest growing segment of the homeless population at the time -- homeless women and children -- it currently has a waiting list of over 200 homeless families. The first shelter, opened in 1982 in an old house, is an emergency intermediate shelter with 14 beds for women and their children. Clients are allowed to stay for up to 60 days. Bread and Roses also operates a transitional shelter (originally a day care center) for up to 20 guests, who may stay for up to nine months. While living in this facility, each guest pays a portion of his/her income for rent. In addition, Bread and Roses leases two transitional houses for guests to live in for up to a year. This agency has received ESG funding from Jefferson County every year since FFY 87S, except FFY 89. Most of the ESG funds have been used for rehabilitation of the two shelters and a 20-by-60 foot addition to the transitional shelter for common space and a playroom. In FFY 91, some of the funds were used for operations (utilities, insurance, and maintenance) as well.

Bread and Roses had a total operating budget of $279,000 in FFY 91. Of this, 6.5 percent ($18,190) and 9.2 percent ($25,660) in ESG funds came from Jefferson County and the city of Birmingham, respectively. In addition, nearly a third of the operating budget ($88,000) came from United Way support, with additional sums from CDBG, Supplemental Assistance for Facilities to Assist the Homeless (SAFAH), FEMA, and individual contributions.

14.3 Implementation

Jefferson County's Planning and Community Development Agency received its first ESG entitlement funding with the FFY 87S allocation. Beginning in FFY 90, the county also applied to the state of Alabama for funds under the ESG allocations that ADECA administers; as a result, the county received $99,000 and $48,261 as a recipient in FFY 90 and FFY 91.

From the beginning, the Jefferson County strategy for the homeless has been to do what can be done, on a minimal amount of funding, for those already homeless. Working with such limited resources, the county has not been able to initiate anything extensive or innovative. This is consistent with the approach the county has taken with other programs such as CDBG (where the county receives approximately $3 million per year for housing rehabilitation, infrastructure improvement, and other miscellaneous economic development and public service). The county has spent none of its own funds on such initiatives. However, in the last two years, it has implemented a $250,000 program to add water mains in a few parts of the county.[19] Moreover, although the Jefferson County's Office of Planning and Community Development is responsible for the development of the CHAS and is the grant recipient of many funded programs, it delegates the administrative responsibilities to other agencies.[20]

For direction with respect to the allocation of ESG funds, Jefferson County relies heavily on the input of the providers in the area, especially in the city of Birmingham. In response to these requests, as shown in Exhibit 14.3, the vast majority of the ESG funding has been allocated for operations. Beginning in 1993, an additional staff member with responsibilities for administration of the ESG program may institute some changes, e.g., more attention to the AIDS initiatives and assistance in modifying the CHAS to permit Jefferson County to apply for the Housing Opportunities for People with AIDS (HOPWA) program.

Exhibit 14.3 also indicates the sources of matching funds for the three homeless services providers visited in Jefferson County. The primary source is CDBG funding, followed by private contributions and volunteer hours. Given the levels of contributions from sources like the United Way to Bread and Roses, if more ESG funding were made available (especially for expansion of essential services), matching those funds would not be difficult.

The continuing needs for additional emergency shelter beds and services in Jefferson County are extensive. There are still homeless on the streets. The shelters and other service providers run at capacity to overflowing, especially in the winter. There is still not enough space for single men in emergency shelters, and the situation for women is only slightly better;

---

[19] At $13 per foot, this program will not extend the current infrastructure very far.

[20] The Office of Planning and Community Development delegates the responsibility for administration of many programs to other agencies, including: CDBG to Jefferson County Commission for Economic Development, the Birmingham Independent Living Center, Urban Ministries, Leeds Civic League, and the Jefferson County Public Housing Authority.

Exhibit 14.3
ESG Funding History and Match Sources:
Jefferson County, AL (entitlement from HUD)

		C/R/R	OPS	ES	HP	AD	TOTAL
History of ESG Funding	FFY 87				N/A	N/A	
	FFY 87S		$38,409	$ 9,600	N/A	N/A	$48,000
	FFY 88	$4,000	4,000		N/A	N/A	8,000
	FFY 89		36,000	9,000	$0	N/A	45,000
	FFY 90		56,400	13,600	0	N/A	70,000
	FFY 91		47,000	19,000	0		66,000
Percent Distribution of Funds Over Time	FFY 87				N/A	N/A	
	FFY 87S		80%	20%	N/A	N/A	100%
	FFY 88	50%	50		N/A	N/A	100
	FFY 89		80	20	0%	N/A	100
	FFY 90		80.6	19.4	0	N/A	100
	FFY 91		71.2	28.8	0	0%	100
Matching Funds for ESG Allocations	**PROVIDER/ACTIVITY**		**SOURCE**				**LEVEL**
	FS	OPS	Volunteer hours and donations				Provider
	JCHA	OPS, ES	CDBG funds				Provider
	B&R	OPS, C/R/R	CDBG funds, individual contributions				Provider

KEY: C/R/R=conversion, renovation, rehabilitation OPS=shelter operations ES=essential services
HP=homelessness prevention AD=administration
N/A=Not Applicable—HP not separate from ES until FFY 89; AD not eligible activity until FFY 91.

it has not reduced the waiting list (in excess of 200 for Bread and Roses alone). Even with 12 emergency shelters and 12 transitional shelters (all added within the last nine years) totalling 767 beds, the needs are not being met. There are no transitional shelters for men in the area, and few single room occupancies (SROs) remain for them to move into after leaving shelters. Permanent housing for the physically or mentally disabled is insufficient for the numbers in need of services. Although public and supported housing would appear to be one option, in Jefferson County it is not an option. The last time the county opened the application process for 15 additional family Section 8 certificates, over 400 applied.

In general, for the size of the population, Birmingham/Jefferson County offers a substantial amount of shelter and homeless services. However, for the size of the homeless population, the area is vastly underserved. Some of the obstacles to solving the homeless problem as voiced by the service providers include:

- Constant need for more money -- it is time-consuming to raise funds. Also, when a shelter operates at full capacity all of the time, it is more expensive to maintain.
- Lack of support for homeless with severe mental illness and/or substance abuse problems -- the three social workers on the staff of the local mental health association cannot cope with all of their needs.
- Lack of transitional housing -- the capacity crowds at the emergency shelters have no place to go. It is also estimated that the county needs almost 14,000 more low-income housing units.
- Lack of storage space for family belongings -- it is very costly and inefficient to sell stoves and refrigerators prior to moving a family into transitional housing, especially when they are going to need them when they move to permanent housing.
- Lack of another "housing option" between substance abuse treatment (and early recovery) and a shelter that houses only those who have been stabilized.
- Limited use of homelessness prevention funding -- there is need for the ESG prevention funding to extend throughout the two-year award period. But the local HUD field office interpretation, limiting HUD funding to 180 days, has been applied to the Jefferson County ESG funding as well.

14.4 Impact

Each of the three recipients and service providers receiving ESG support in Jefferson County reports that these funds have been particularly important. According to the Director of the Old Firehouse Shelter, the operations funding it receives is a small but important part of their budget. It helps to make the difference in being able to offer services to the homeless population. During FFY 91, the night shelter program served 1500 men who, once admitted, could stay for as long as their circumstances required. The Jefferson County Housing Authority is now able to deliver transitional housing to eight families who are in desperate need. Previously, they could only serve as another referral agent. They would also like to be able to offer case management services to more of the families currently living in public housing, were other funding available. ESG funding is one of the reasons that Bread and Roses has been able to maintain its high level of essential services to guests. In FFY 91, Bread and Roses served 240 women and children (in all 4 facilities) and turned away 1800 requests for shelter. All of the women they accepted were homeless: 53 percent were displaced from overcrowded conditions; 34 percent came from other shelters; and 13 percent came out of an institution (a mental health facility, jail, or detoxification program). The agency screened out women who were victims of domestic violence, since none of the four facilities can be considered safe and secure from an abusive spouse.

The staff of Jefferson's County's Office of Planning and Community Development has administered funds from the ESG entitlement well and has sought additional funding from ADECA to support existing shelters and homeless service providers. This has been an effective way to leverage the few ESG dollars they administer. The grantee has also provided part of the necessary support to develop a very cost-effective program of assistance to homeless families in areas of the county outside the city of Birmingham. Further expansion of the Jefferson County Housing Authority's transitional housing program with additional ESG and CDBG funds would help to add services to homeless families in outlying areas of the county, without forcing them to seek assistance in the City of Birmingham.

A final observation is that in Jefferson County, even where ESG funding is available from multiple sources, there is no formal or informal mechanism to coordinate those resources. The only basis for coordination is the service providers' proposals for "what they need." Although the ESG administrators admit that they feel constrained by their lack of knowledge about how these shelters and service providers accumulate sufficient funding to keep operating, they have developed no mechanism to acquire this information.

CHAPTER 15

EMERGENCY SHELTER GRANTS PROGRAM EVALUATION

SITE PROFILE: MORRIS COUNTY, NEW JERSEY

15.1 Site Overview

Morris County, New Jersey is an urban county lying about 20 miles west of Newark, on the edge of the New York Metropolitan area. It is an affluent county, suburban or even ex-urban in flavor, with a job base of corporate headquarters and service industries. In addition, substantial numbers of workers commute by rail and car to Newark and New York City. The county contains a number of medium and small towns, as well as scattered population throughout the townships. The county seat is Morristown.

Despite its affluence, Morris County contains a significant homeless population, as well as a population at risk of homelessness and in need of services to prevent loss of housing. "The homeless have always been present here," said one provider, noting the existence of the 103-year-old Market Street Mission (serving adult men with alcohol- and drug-abuse problems). Now the homeless population contains single men and women plus families (primarily women with children). The county's homeless population contains a significant number of dually-diagnosed individuals; substance abuse and mental illness are thought to be widespread in the population.

The Morris County Comprehensive Housing Assistance Strategy (CHAS) indicates that, in 1990, service providers identified 4,122 homeless people. The average nightly census was 89 in the county. Beyond the sheltered homeless, there were 20 street people, and, during 1990, 110 motel placements were required for shelter overflow.[1] Since 1990, economic conditions have worsened, unemployment in the county has doubled, and evictions and foreclosures have risen. The Food Stamps Program's caseload rose 86 percent in two years. Shelter placements increased by 8 percent from 1990 to 1991;[2] in October 1992, the motels were sheltering 25 families per night, compared to 2 per night only a year before. A rise in evictions from public

---

[1] *Morris County Comprehensive Housing Assistance Strategy (CHAS), October 1, 1991 to September 30, 1996.* Morris County Department of Community Development, p.8.

[2] *Morris County Comprehensive Homeless Assistance Strategy (C-CHAS) Update*, 1992. Submitted by the Morris County Board of Chosen Freeholders to the New Jersey Division of Family Development, p. 4.

housing has also been noted since early 1992; while technically for non-payment of rent, the evictions are frequently a result of substance abuse by the tenant or a boyfriend. The CHAS Special Needs table estimates that 40 percent of the homeless population have substance abuse problems, 18 percent are mentally ill, and 4 percent are dually diagnosed.[3]

Among the 1991 emergency shelter population in Morris County, 58 percent of the cases were single adults (40 percent men, 18 percent women), 8 percent were single youth between 13 and 17 years old, and 34 percent were families. The single adults were predominantly between 30 and 64 years old, but the family heads were more likely to be from 18 to 29 years of age.[4]

Apart from the underlying economic conditions, homelessness in Morris County is exacerbated by a shortage of affordable housing. The CHAS indicates these basic housing conditions: "an insufficient supply of affordable rental housing stock, fully occupied public housing units and long waiting lists for certificates and vouchers, and high fair market rents."[5]

Entities involved with the Emergency Shelter Grants Program that were consulted during the site visit to Morris County included the following:

- Morris County Department of Community Development (the grantee agency);
- Comprehensive Emergency Assistance System committee members;
- Morris County Board of Social Services (ESG-funded provider);
- Morris Shelter (ESG-funded provider);
- Alfre, Inc. (former ESG-funded provider); and
- Jersey Battered Women's Service (ESG-funded provider).

15.2 Program Description

The Emergency Shelter Grants Program in Morris County is administered by the county's Community Development Department (CDD), because it also administers the Community

---

[3] *Morris County CHAS*, Table 1C, p. 7.

[4] *Morris County C-CHAS*, p. 7.

[5] *Morris County CHAS*, p. 9.

Development Block Grant (CDBG). For the ESG Program's FFY 91 funds,[6] Morris County CDD allocated its total $44,000 grant among three provider agencies: the ***Morris County Board of Social Services*** (a public agency that is the county's welfare office), the ***Morris Shelter*** (a private, nonprofit shelter), and the ***Jersey Battered Women's Service*** (also a private, nonprofit organization operating a shelter and other programs). These three agencies have received ESG funding before. In addition, one provider had received an ESG grant from FY 89 monies but no subsequent funding from this program; this agency -- ***Alfre, Inc.*** -- was also visited.

Exhibit 15.1 contains a variety of information about the four Morris County providers that have received ESG funding since the program began, suggesting some interesting contrasts. As the county's welfare office, the Board of Social Services (BSS) has a clientele far broader than the homeless population; indeed, it serves all those eligible for Food Stamps and AFDC, only some of whom are homeless or at risk. The Housing unit within BSS is the locus of service provision related to preventing loss of housing or handling it when it has occurred.

By contrast, the Morris Shelter provides emergency housing for homeless single men and families; it will also accept single women when there is an open family bed. As a secure facility for victims of domestic violence, the Jersey Battered Women's Service houses women and children who have fled abusive relationships and homes. These two providers thus deal only with people who have already lost their housing. The fourth provider, Alfre Inc., is a half-way house for recovering alcoholic women coming out of detox programs; prior to detox, the women either were homeless or had to leave their homes to deal with the alcohol problem.

As also shown in Exhibit 1, these agencies are using ESG funding to support different eligible activities. The Bureau of Social Services does homelessness prevention; in fact, all its ESG funds go directly to clients in the form of payments for back rent, back utilities, security deposits, utility deposits, and other relocation costs. No ESG monies are used for staffing or other services related to prevention, nor for shelter payments or provision of essential services. BSS also has other resources for prevention, most notably *state funding* for the staff salaries as well as grants from the Federal Emergency Management Agency (FEMA) and the local CAP agency for direct payments of the same types made with ESG funds.

---

[6] The fiscal years pertaining to federal allocations of ESG funding are labelled FFY (Federal Fiscal Year), to distinguish from the fiscal years of the agencies receiving ESG grants.

Exhibit 15.1

Emergency Shelter Grants Program
Characteristics of Morris County, New Jersey Providers

Provider Characteristics	Selected Providers in Morris County, New Jersey			
	Morris County Board of Social Services, Parsippiny	Morris Shelter, Morristown	Jersey Battered Women's Service, Morris Plains	Alfre, Inc., Morristown
Type of Organization	Public agency (county welfare department)	Private, non-profit agency	Private, non-profit agency	Private, non-profit agency
Year Begun	1937	1983	1976	1979
Year Began Serving the Homeless	1981	1983	1977	1979
Populations Served	Homeless and at-risk families (both single-parent and two-parent)	Single men; families with children under 10; single women	Women and child victims of domestic violence	Recovering female alcoholics
History of ESG Funding				
FFY 87S	$2,463	$ 0	$32,537	$ 0
FFY 88	0	0	6,000	0
FFY 89	3,800	0	0	23,200
FFY 90	6,700	38,300	0	0
FFY 91	13,200	15,100	15,100	0
ESG-Supported Activities	FFY 87S: Essential Services FFY 89-91: Homelessness Prevention	Essential Services	FFY 87S-88: Renovation FFY 91: Essential Services	Rehabilitation
Other Activities Serving the Homeless	Payment for Shelter; Essential Services	Operations	Operations; Hotline, Non-Resident Counseling	Operations; Essential Services

Exhibit 15.1, continued

Provider Characteristics	Selected Providers in Morris County, New Jersey			
	Morris County Board of Social Services, Parsippiny	Morris Shelter, Morristown	Jersey Battered Women's Service, Morris Plains	Alfre, Inc., Morristown
Total FY 91 Budget[1] and Percent from ESG	$574,256 2.3%	$427,104 3.5%	$273,207 4.9%	N/A

[1] Cash budget for homeless activities, for the year in which FFY 91 ESG funding was received.

Both Morris Shelter and the Jersey Battered Women's Service used the ESG FFY 91 grant for essential services. At Morris Shelter, the ESG money helps support a day program for the families in the shelter as well as the families being served in a night-time-only shelter operated by the Interfaith Council.[7] ESG funding pays for insurance and van transportation in addition to the salary of the day house manager. This individual provides the daytime security and supervision; a clinical case manager and other services (such as parenting classes) are funded from other sources. The larger FFY 90 grant was for the start-up of the day program.

At the Jersey Battered Women's Service, the FFY 91 grant of $13,500 was used to pay the salary of a part-time evening counselor. Previously, the single evening staff member had not been able to provide services effectively while also meeting the demands of security and hotline response. The added counselor has regular evening counseling hours, in which more effective problem identification and better intervention can take place. There is a particular focus on identification of substance abuse problems among new guests.

Two earlier grants to the Jersey Battered Women's Service (FFY 87S and FFY 88) funded a small part of the renovation of their facility, as did the single grant to Alfre in FFY 89. The $23,200 grant to Alfre paid for plumbing and electrical work, new front steps, replacement vinyl flooring and carpeting in the living areas, and exhaust fans; ESG monies provided about 8 percent of the roughly $296,000 in total rehabilitation costs. At the Jersey Battered Women's Service, the scale and scope of renovations was much larger. The old 5-bedroom house that had difficulty sheltering 10 families was converted into office space for the Jersey Battered Women's Service, whose staff runs a variety of programs besides the shelter.[8] An addition to the house holds a 20-room/30-bed shelter with extensive common space (including counseling rooms and secure indoor/outdoor play space for the children). The full costs of acquisition, renovation, and expansion totalled $1.859 million, with ESG contributing 2 percent.

---

[7] The Council's shelter is a 14-bed facility for homeless families and single women, moving weekly among 13 host congregations. Each congregation houses the guests for one week per quarter. Volunteers provide and serve two meals plus a brown-bag lunch. In 1991, this arrangement provided a total of 3,965 nights of shelter.

[8] These include a non-residential counseling program for abusive men, a women's non-residential counseling and advocacy program, a parent/child program concerning issues of abuse, a teen dating violence project, a hotline, a community outreach program, and a legal advocacy project.

15.3 Implementation

When Morris County first received ESG monies, under the FFY 87S allocation, the CDD had no prior operating experience with programs to assist the homeless. However, it administered CDBG and had been the locus of the Comprehensive Homeless Assistance Plan (CHAP) preparation, just as it now prepares the CHAS. By becoming the ESG grantee, the CDD became part of the county level New Jersey state-mandated planning process known as the Comprehensive Emergency Assistance System (CEAS). The CEAS Committee's membership includes public agencies (CDD, DHS, BSS, towns, housing agencies, the county school board) plus homeless services providers. It is staffed by the County Department of Human Services, which in 1992 received about $124,000 in state funding on the basis of coordinated local planning for the homeless.

Priorities for ESG and other programs for the homeless are set within the CEAS, by its planning committee, in conjunction with annual updating of the County Comprehensive Homeless Assistance Strategy (C-CHAS). The C-CHAS combines statistical reporting by all the agencies serving the homeless with delineation of unmet needs and priorities for service provision and expansion in the future. Thus, decisions on allocation of ESG funds are made with full knowledge of countywide needs and countywide resources. The CEAS also has a provider committee, which appears to include virtually all the agencies active in serving the homeless; this committee serves as an information, referral, and support network for providers, but its members also take part in the process of identifying needs and setting priorities.

Within the framework of the CEAS, provider proposals are still the source of the specific items funded. When the amount of ESG funding for the next year is known, CDD requests a letter of intent from providers, with a preliminary description of how they wish to use the monies and what the matching funds will be. The CEAS planning committee reviews these proposals against the priority needs defined in the C-CHAS. It also looks at what other resources are available and what would happen if the provider did not get the ESG grant. A selection is made, so that (when the NOFA is issued) CDD is ready to submit the ESG application to HUD. Approval of the Board of Chosen Freeholders (the elected officials of the county) must be obtained for the allocation of any funds to providers; the CEAS's choice is ratified without question about 95 percent of the time. The CDD would prefer funding providers more steadily from year to year than the CEAS has, but it is committed to the interagency process and the high level of cooperation around homeless programs that the CEAS exemplifies.

Exhibit 15.2 shows the history of ESG allocations to Morris County and the percent distribution of the funds among the eligible activity categories. The funds were used heavily for capital improvements (at Alfre and the Jersey Battered Women's Service) in the first three years. The only other grants in that period were to the Bureau of Social Services. BSS's initial funding for essential services (FFY 87S) paid for emergency supplies distributed by the mobile outreach unit to the homeless in street locations. However, it proved difficult to predict the need for the supplies and assure timely spending of the funds. Therefore, BSS requested homelessness prevention funding from FFY 89 on.

After FFY 89, the emphasis of ESG in Morris County shifted markedly to services. Indeed, Morris County is one of the relatively few grantees around the country to request and receive waivers of the limit on essential services spending.[9] For three years (including FFY 92), the county has spent virtually all ESG monies on essential services or homelessness Prevention. This choice is made each year. The grantee is not unalterably committed to funding all services; depending on need and priorities, a persuasive rehabilitation proposal might well be funded in the future. It is also notable that Morris County has never used ESG monies to support shelter operations; a combination of other federal funds (primarily Emergency Assistance under AFDC), county General Assistance, state money, and private contributions is used by the shelters to sustain operations.

Exhibit 15.2 also shows the matching funds by source, type, and level for the ESG allocations to Morris County. In all cases, the dollar amounts from other sources far exceed the ESG grants.[10] The matches are shown at the provider level, so that they can be listed for the specific ESG-supported activities. The two providers that used ESG monies for rehab received some state support and raised substantial contributions from the private sector. The providers of essential services and homelessness prevention receive both federal and state funds; FEMA and the Community Services Block Grant (HHS) (AFDC) plus the New Jersey Department of

---

[9] For FY 90, there were a total of 27 waivers of the essential services cap granted nationwide. Four waivers were granted for FY 91, and 5 had been granted for FY 92 (information current as of October 1992). Morris County appears to be the only grantee that has received a waiver in three consecutive years.

[10] See Exhibit 1 for ESG's share of the providers' budgets.

Exhibit 15.2
ESG Funding History and Match Sources:
Morris County, New Jersey

		C/R/R	OPS	ES	HP	AD	TOTAL
History of ESG Funding	FFY 87S	$32,537	$0	$ 2,463	N/A	N/A	$35,000
	FFY 88	6,000	0	0	N/A	N/A	6,000
	FFY 89	23,200	0	0	$ 3,800	N/A	27,000
	FFY 90	0	0	38,300	6,700	N/A	45,000
	FFY 91	0	0	28,600	13,200	$ 2,200	44,000
Percent Distribution of Funds Over Time	FFY 87S	93%	0%	7%	N/A	N/A	100%
	FFY 88	100	0	0	N/A	N/A	100
	FFY 89	86	0	0	14%	N/A	100
	FFY 90	0	0	85	15	N/A	100
	FFY 91	0	0	65	30	5%	100

	PROVIDER/ACTIVITY		SOURCE	LEVEL
Matching Funds for ESG Allocations	JBWS	C/R/R, ES	State (DYS); County (Grant-in-Aid); private contributions from foundations, corporations, and individuals	Provider
	Alfre	C/R/R	State (NJHMFA loan); United Way; foundation contributions	Provider
	BSS	ES, HP	Federal (FEMA, CDBG, AFDC); State (DYFS)	Provider
	Morris Shelter	ES	Federal (FEMA, AFDC); State (DYFS); contributions from foundations, corporations, and individuals	Provider

KEY: C/R/R=conversion, renovation, rehabilitation OPS=shelter operations ES=essential services
HP=homelessness prevention AD=administration
N/A=Not Applicable—HP not separate from ES until FFY 89; AD not eligible activity until FFY 91.

Youth and Family Services (DYFS) are the major public sources. The nonprofits also raise significant proportions of their budgets from foundation, corporate, and individual gifts. Although the matches are all shown at the provider level, they could also be shown at the grantee level, because the state DYFS funding is allocated to the county (then re-allocated to providers), and the county also gives Grants-in-Aid from its own tax revenues.

Remaining needs for emergency shelter in Morris County are of two types: shelter for families (especially those with older children); and a flophouse (a shelter not requiring the client to be sober or drug-free). The evidence for the family need is the increasing motel population; the evidence for the flophouse need is the residual street population. However, the grantee and providers would all prefer to see creation of transitional and permanent housing in sufficient quantities, rather than expansion of the shelter system. Alfre has already developed a transitional facility with state funds, and Morris Shelter and the Jersey Battered Women's Service are considering doing the same, perhaps as a joint effort. As for permanent housing, all agree that additional rental subsidies are the solution to the back-up in shelters and motels. When the housing agencies in the county have certificates or vouchers available, the homeless get preference and there is good cooperation in placing shelter clients. However, it appears that little rental assistance has been available in 1992.

Remaining service needs of the homeless and at-risk population in Morris County are defined in the C-CHAS as follows (in priority order): prevention, case management, 24-hour emergency response (hotline), vocational training, and transportation.[11] Other important services, including substance abuse treatment, counseling, day shelters, and schooling for homeless children, seem sufficiently available. In addition, the CEAS provider committee has developed guidelines for coordinating case management among agencies when a client has multiple providers; this should reduce duplication of effort and services.

In general, ESG implementation in Morris County has been smooth, with good cooperation, thoughtful strategic planning, and focused grant-making. The primary obstacles or challenges for the grantee have been:

[11] *Morris County Comprehensive Homeless Assistance Strategy (C-CHAS) Update*, 1992, pp. 140-143.

- resistance in some parts of the county to siting of homeless population or facilities (the "not in my backyard" phenomenon); and
- shelter or housing for the homeless with severe mental illness, particularly if the threatened closing of the state mental hospital in Morris County becomes reality.

For the providers, the primary obstacles or challenges have been:

- the constant need for fundraising;
- patching together programs with the different criteria attached to each source of public funding;
- finding the right staff, particularly for part-time or off-hours service positions; and
- the clients' difficulty finding jobs and affordable housing in this economy.

15.4 Impact

Each of the Morris County providers receiving ESG funding reports a discernable impact from the grants. For Alfre, the one-time rehabilitation grant paid for important health and safety improvements, resulting in better physical quality of the shelter as well as more amenities. For the Jersey Battered Women's Service, the grant contributed toward expansion of the shelter (from 15-20 beds to 30) and vast improvement in physical quality.[12] ESG monies help sustain the Morris Shelter's day program; without the grant, hours of case management would need to be reduced and transportation services for the Interfaith Council shelter families cut. The ESG enables BSS to provide services to 150 additional clients; it is also more flexible than some other homelessness prevention funding (especially FEMA) and thus allows interventions not fundable from those sources.

Due to the high level of cooperation and planning through the CEAS Committee in Morris County, all the ESG-funded providers are aware of each other's work and are involved in the effort to systematize case management across agencies. The strength of this network is

[12] Respondents noted that "there is nothing marginal about the shelters in this county," but also pointed out that the state of New Jersey does set minimum standards, including service requirements, for homeless shelters and secure shelters.

a positive factor enabling the providers to better match services with the needs of the population. So is the availability of coordinated case management. While both Morris Shelter and the Jersey Battered Women's Service offered significant services on-site, the referral system expands the range of services accessible to clients. Finally, transportation by van or by volunteers' vehicles forges the missing link to off-site services. A few local agencies (the municipal welfare departments, Salvation Army, Red Cross, and Urban League) are reported to be on the fringes of the network, but by no means excluded or ignored.

In summary, Morris County appears to have a comprehensive and effective system for providing homeless services and identifying future needs. The level of cooperation and mutual support seems exceptional, and it is unlikely that technical assistance is needed from the HUD Regional or Field offices. Similarly, the grantee agency appears to have the capacity and will to monitor the use of ESG funds effectively and to target their use appropriately in the future. All agencies indicate that greater funding from ESG would increase their capacity to serve the pressing needs of Morris County's homeless population, but the even more urgent need is for adding transitional and affordable permanent housing.

APPENDIX TO CHAPTER 9

Characteristics of the Homeless Population in Corpus Christi[1]

Total Number Served at Cafeteria	5,825
Hispanic	2,599 (45%)
White	2,206 (38%)
Black	996 (17%)
Male	4,078 (70%)
Female	1,747 (30%)
Children under 11 years of age	783 (13%)
Members of homeless families	1,025 (18%)

Other Characteristics of the Homeless in the Coastal Bend Area[2]

Chemically dependent youth	2,847
Adults on probation having alcoholic or drug problems	59%

[1] *CHAS*, p. 54.

[2] *Project Compass Final Report*, pp. 14, 15.

APPENDIX TO CHAPTER 10

Composition of the Homeless Population in New Orleans, Louisiana[1]

Sex:	Male	76 percent	5,544
	Female	24 percent	1,717
Race:	Black	60 percent	
	White	34 percent	
	Other	5 percent	
Age:	Under 18	21 percent	1,502
	18-21	22 percent	1,575
	22-39	35 percent	2,508
	40-54	18 percent	1,337
	Over 54	4 percent	326

The following composition of the homeless population is based on the U.S. Conference of Mayors Survey (1990):

Single Men	56 percent
Families	33 percent
Single Women	3 percent
Unaccompanied Youth	8 percent

Other classifications of this population include the following: (These categories are not mutually exclusive.)

Substance Abuse	60 percent
Veterans	30 percent
Chronically Mentally Ill	27 percent
Employed	27 percent

[1] CHAS, p. 11, 12.

Selected Provider Client Statistics

RAPHAEL HOUSE EMERGENCY SHELTER
ANNUAL STATISTICS
1991 - 1992

POPULATION SERVED	#	%
Women w/o children	39	34
Women w/ children	77	66
Children	130	55

COMPOSITION OF FAMILIES		
Pregnant	12	10
One child	42	55
Two children	25	32
Three children	47	9
Four or more	3	4

ADULT'S AGE		
Under 21	14	12
21 - 30	52	45
31 - 45	47	41
46 - 55	3	3
56 and over	0	0

MARITAL STATUS		
Single	48	41
Married	38	33
Divorced	19	16
Separated	9	8
Widowed	2	2

RACE		
Caucasian	71	61
Black	31	27
Hispanic	6	5
Native American	5	3
Asian	2	3
Other	1	1

CHILDREN'S AGES		
Under 2	47	37
3 - 4	27	21
5 - 8	34	26
9 - 11	11	8
12 - up	11	8

REASON FOR COMING		
Spouse abuse	93	80
Child abuse	3	3
Spouse & child abuse	12	10
Family friction	8	7
Other	0	0

REFERRAL SOURCE	#	%
Another shelter	32	28
Another agency	6	5
Clergy/counselor	6	5
Friend/relative	5	4
Former resident	12	11
Hospital	5	4
Hot line	32	28
Media	0	0
Police	5	4
Other	13	11

INCOME SOURCE		
Employed	23	20
Public Assistance	62	53
Supported by mate/bfrdn	21	18
Other	11	9

RETURNED TO		
Original situation	5	4
Transitional Hs'g	14	12
Mate/boyfriend w/ couns.	3	3
Home w/o mate/b'frnd	10	9
New Residence	29	25
Friend/relative	20	17
Another agency	20	17
Live-in job	1	1
Other	14	12

NUMBER OF DAYS SHELTERED	
Women	1,096
Carryovers--women	888
Children	1,277
Carryovers--children	1,450

LENGTH OF STAY1		
Overnight	7	6
2 - 7 days	23	20
8 - 15 days	32	28
16 - 26 days	28	24
27 - 31 days	8	7
32+ days	18	16

AVERAGE LENGTH OF STAY

18 days

Portland Impact, July-September, 1992

SECTION 1 Agency: Portland Impact Contact Person:	A HOMELESS/ COMMUNITY ACTION TOTAL AGENCY	NUMBER SERVED BY: B EHA FUNDED	C ALL OTHER CAPO FUNDED
1. Individuals provided emergency shelter			
2. Individuals provided transitional housing			
3. Individuals placed in permanent housing			
4. Individuals receiving prevention activities	2		
5. Total number of individuals provided homeless services	2		
6. Total number of individuals provided homeless services YTD			
7. Number of individuals turned away from shelter services			
8. Families provided with emergency shelter	33	12	21
9. Families provided in transitional housing	2		2
10. Families placed in permanent housing to include Section 8	21	1	20
11. Families receiving prevention activities	13	0	13
12. Number of families turned away from shelter services	455		
13. Total no. of families provided homeless services this quarter	70	13	57
14. Total number of persons represented by these families	222	51	171
15. Total number of families provided homeless services YTD	70	13	57
16. TOTALS OF PERSONS SERVED (add lines #5 and #14)	224	51	173
17. Total nights of shelter provided	1420		
18. Total nights YTD (persons including family members, multiplied by nights of service)	6577	1034	5543

SECTION 2 Characteristics of the total number of persons reported in Section 1 above:		A HOMELESS/ COMMUNITY ACTION TOTAL AGENCY	NUMBER SERVED BY: B EHA FUNDED	C ALL OTHER CAPO FUNDED
19. Age range:	0 - 5	64	15	49
	6 - 17	81	18	63
	18 - 54	84	18	66
	55 +	3	1	2
20. Gender:	Male	114	22	92
	Female	122	30	92
21. Veteran:	Male	3	1	2
	Female	2	0	2
22. Disabled:	Physical	unk		
	Mental	unk		

COMMUNITY ACTION PROGRAM OFFICE QUARTERLY REPORT FORM (continued)

Quarterly Report For: July, Aug., Sep. 1992
Please specify by months Date

SECTION 3 Characteristics of the total number of persons reported in Section 1 on previous page:		A HOMELESS/ COMMUNITY ACTION TOTAL AGENCY	NUMBER SERVED BY: B EHA FUNDED	C ALL OTHER CAPO FUNDED
23. Education:	K - 8	5	0	5
	9 - 12 Non-Graduation	34	5	29
	HS Graduation / GED	20	6	14
	Post - Secondary	20	3	17
24. Household Composition:	Single person over 18	1	1	0
	Unaccomp. youth under 18	0		
	Childless couple	2	0	2
	Female single parent family	42	8	34
	Male single parent family	4	1	3
	Two parent family	21	4	17
	Total Households	70	13	57
25. Ethnicity	Hispanic	8	1	7
	Black/African-American, not Hispanic	31	0	31
	White, not Hispanic	107	8	99
	Native American / Native Alaskan	55	42	13
	Asian	0		
	Other	5	0	5
SECTION 4				
26. Households in case management		70	13	57
27. Total meals served (breakfast, lunch, & dinner)				
28. Persons receiving clothing / clothing exchange				
29. Other Services:				