North Carolina’s Homeless: Whose Problem Are They?

by David Perkins and Mike McLaughlin

We see them slumped on park benches sleeping, staggering down city sidewalks, pushing shopping carts that carry their worldly possessions, or sitting in fast food restaurants sipping coffee and passing the idle hours. And it seems that we are seeing more of them.

But with the federal government cutting back on its low-income housing commitments, with the state tightening up admissions criteria at mental hospitals, and with local governments in some cases overtaxed and in others unwilling to help, the haunting question becomes, who will take care of the homeless? While policymakers grapple with that question, part of the answer may be a larger role for the state.

It came to be known as the “TB ticket,” the way out of Durham’s Community Shelter for the homeless and into appropriate health care. In 1988, 13 homeless men—all chronic alcoholics—came down with tuberculosis, a highly contagious lung disease that has become a rarity for most Americans but is still a threat among the homeless.

Faced with this health risk, the county bureaucracy groaned and moved. The men were sent to hospitals, halfway houses, group homes, and alcohol rehabilitation centers. Now the tuberculosis threat is contained, and the TB ticket is credited with getting the men off the streets. “None of those guys have come back to us,” says Terry Allebaugh, the shelter’s director. “We’d like to think there are healthier ways of getting out of here.” But, says Allebaugh, “Without advocates, these people don’t get anywhere.”

Shelter directors like Allebaugh are the front line in the battle for the homeless. They are the ones who talk with the homeless and identify their needs. They cajole social services and health agencies, distribute medicine, arrange transportation, and collect benefit checks. They know that if...
they don’t make something happen, no one will. It is a considerable challenge, considering how poorly organized the state’s services are for the homeless, and state government’s reluctance so far to acknowledge the problem.

No one knows for sure how many homeless there are in North Carolina. But the experts do know that programs for the homeless are not doing the job. For instance:

- Many homeless don’t get the government benefits and services they need because social services agencies do not have the time or money to reach out to people on the streets and because some programs have narrowly defined eligibility requirements.
- The state’s mental hospitals release patients with little coordination with local mental health centers for follow-up and treatment.
- Many of the chronically mentally ill homeless, who make up as much as a third of the homeless, go without any treatment. Mental health centers traditionally have been geared to serving clients with limited and curable mental health problems.
- Roughly a third of the homeless are addicted to alcohol or drugs, but the state has an inadequate number of treatment facilities.
- Little transitional housing is available for those who are temporarily without a home and need a staging ground for re-entry into society.

Leroy Etier, a homeless Korean War Veteran who lives in Raleigh.

[Image of Leroy Etier, a homeless Korean War Veteran who lives in Raleigh.]

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There is a shortage of affordable rental housing, which is forcing more people out into the street and leaving the homeless without a way back. Most North Carolina cities and counties are doing little or nothing to relieve this housing shortfall, and the state is taking only halting first steps.

Who Are the Homeless?

When the homeless were considered a small, sorry, vagrant lot, it was easier for the government and the public to ignore holes in the safety net. But despite an economy with low inflation and unemployment rates, the tide of homelessness continues to rise. And increasingly, it is the working poor and families—the new homeless—who are moving into shelters alongside the mentally ill, the substance abusers, and the so-called street bums.

Although no analysis has been done of North Carolina’s homeless, national surveys offer a rough sketch of the demographics of homelessness.1 According to these surveys: Families with children now account for up to 40 percent of the homeless population; more than 30 percent of the homeless are veterans; about 30 percent of the homeless suffer from mental disabilities; 20 to 30 percent of the homeless are employed; as many as 40 percent of the homeless suffer from alcoholism; and about 30 percent use government programs for their income.

Just how many homeless there are is a question that is still being debated nationally. Estimates range from the U.S. Department of Housing and Urban Development’s 250,000-300,000 to the 3 million figure put forward by the Community for Creative Non-Violence, a Washington-based organization run by the nation’s best-known homeless advocate, Mitch Snyder. Both figures are considered educated guesses. No one has been able to come up with an undisputed count.2

At the state level, the figures are little better. A July 1988 survey by the Division of Community Assistance in the N.C. Department of Economic and Community Development produced an estimate of 8,045 homeless. But the survey used a crude methodology and may understate the situation.3 Under Wake County, for example, the survey lists 400 homeless. But The Ark shelter alone had 725 different clients in 1989, and there are six other shelters or transitional houses in Raleigh. The survey’s figures for rural counties—continued on page 6
Facing Homelessness:
The View from the Streets

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

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

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

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

Paula is but one of thousands of North Carolina homeless, many of whom do not fit neat stereotypes. Each of them is unique, and in many instances they have their own ideas about what should be done to help the homeless. Insight Associate Editor Mike McLaughlin interviewed more than a dozen such people while researching the plight of the homeless in North Carolina. The stories of several appear on pages 7, 13, 18, 26, and 31.
It may be that these hidden homeless actually outnumber the homeless who live in shelters. A 1986 study by the Alcohol/Drug Council of North Carolina, for example, found that only 8.6 percent of 432 people surveyed at 19 soup kitchens across North Carolina had spent the previous night in a shelter. By comparison, 9.5 percent said they slept at a friend’s house and 10.9 percent said “other”—that is, in a car, under a bridge, or in an old building. 5

More reliable figures on both the state and national level may be available when the U.S. Census Bureau releases the results of the one-night national count of the homeless, conducted March 20, 1990. Some advocates for the homeless have said they feared an undercount that would mask the magnitude of the problem and undercut efforts to get government services to the homeless. Mitch Snyder went further. Maintaining that the effort would produce an intentional undercount that government officials could use as an excuse to withhold resources, he refused to cooperate with Census takers.

But Tom B. Smith, a spokesman for the U.S. Census Bureau in Charlotte, says the count represents an attempt to learn more about the homeless and provide information to local government and service providers, rather than a firm estimate. “We think too much is being made of the number,” says Smith. “We were not able to count those who were well hidden, but we do think we were able to count the majority of the homeless.” Smith says the results will be released in mid-1991.

Whatever the current total, those who work with the homeless report a strong surge in the numbers of homeless. Raleigh’s Ark shelter had 519 different clients in 1987 and 725 in 1989, a 40 percent increase in just two years. Director Dot Ellis says 90 percent of the time the 35-bed shelter is full. At the Salvation Army Women’s Shelter in Charlotte, the numbers have grown by more than 350 percent, from 4,243 in 1987 to 16,151 in 1989, reflecting both

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Table 1. Demographics of Homelessness*

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<th>Category</th>
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<tr>
<td>People with alcohol or drug problems</td>
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</tr>
<tr>
<td>Families with children</td>
<td>40</td>
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<tr>
<td>People with mental disabilities</td>
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<tr>
<td>People with income from government programs</td>
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* Figures add to more than 100 percent because many of the homeless exhibit more than one of these characteristics. Sources of these estimates are described in footnote 1 on page 32.
an increase in capacity and an increase in demand for shelter space, says director Connie Johnson. The figures represent a multiple count, says Johnson. A client who used the shelter seven different nights would be counted seven different times. In Chapel Hill, the Interfaith Shelter averaged 15 guests a night in 1985. Now its 24 beds are always full, and the shelter serves dinners to 15 others, most of whom are homeless people the shelter has to turn away at night.

Private charities, which carried the burden for much of the 1980s, are now stretched to the limit and calling for relief. The result is a growing recognition that a long-term policy is needed that goes beyond warehousing the homeless in shelters. Without more low-cost housing, the hemor-

Drinking, Drugs, and Drifting

Jerry was sexually abused as a child and the memory of it haunts his adult life. "I think what basically shocked my judgment was when I was 7 years old this guy took and molested me," he says. Jerry is a light-skinned black man with a self-effacing style. He twice refers to himself as Joe Knucklehead during an interview. "I've been jacking off," he says. "Maybe this is my way of punishment—not having anything, being homeless."

Jerry, 25, was raised in a foster home, but says he was disobedient and was drawn to the street life and alcohol and drugs. "I called myself a playboy," he says. "I wound up with a little girl I wasn't ready for." Jerry's daughter is six years old now. He hasn't seen her in a year and a half. "All I want is to see her grow up and be somebody," he says.

Jerry sleeps at The Ark shelter in Raleigh at night and works as a day laborer for a roofing company, getting paid in cash at the end of each working day. He is dressed in a pair of green coveralls with a hole in the seat—the only clothing he has—and is facing his fourth bout with homelessness. "Maybe I can get a grasp on turning this thing around," he says. Yet Jerry seems far from certain he can survive on his own. "You need that extra support of knowing somebody cares besides yourself—an ear to listen to you when you've got something on your mind you want to talk about—just any little thing to keep you going."

What would it take to stabilize Jerry's life? "I need peace of mind, good Christian fellowship, friends, someone I can talk to constantly," he says. Someone who would challenge him to think before making rash, irresponsible decisions. Jerry believes he must sort out the conflict within himself before he can sustain the kind of relationship that would produce such support. Still, he hasn't given up. "There's still a hope, still a chance, still a dream," he says.
"It's all very well and good to talk about 'uplifting society' but somewhere along the line we must face the fact of life that from the beginning of time a lot of human beings have been born bums...."

—Jesse Helms
Capitol Broadcasting Co.
editorial, Dec. 5, 1966

The Government Response So Far

With the Stewart B. McKinney Homeless Assistance Act of 1987, Congress signaled that homelessness was a national emergency that called for government action at all levels—federal, state, and local—to bolster private efforts. Through McKinney programs, Congress has appropriated more than $1 billion to the states for shelters, health care, transitional housing, mental health, job training, and adult literacy programs. North Carolina received $4.9 million for the 1989-90 fiscal year. Because most of these grants required matching local or state dollars, the McKinney Act has leveraged local tax support for homeless services as well.

McKinney Act dollars are visible in many cities—in shelters like The Ark in Raleigh, in transitional housing projects like Durham’s Genesis House, in roving health care vans in Wake and Durham counties, and in case managers for the homeless mentally ill at four of the 41 area mental health centers across North Carolina—Forsyth-Stokes, Guilford, Mecklenburg, and Wake. Yet these programs are scattered geographically, are not coordinated, and in some cases are ineffective. That is not surprising since the state has not identified the most pressing needs and directed the McKinney money to them.

In the spirit of federalism, the McKinney Act gives the states considerable leeway in using most McKinney funds. The money can be targeted at specific needs, or it can be passed along on a formula or competitive basis. North Carolina has chosen simply to divide the money among eligible applicants on a pro rata basis. Because counties and municipalities in rural areas are less likely to apply for grants, urban areas have reaped much more in McKinney funds. But homelessness also is a serious problem in rural areas.

The legislation created a range of new federally funded programs for the homeless, including wide-ranging needs of the homeless. "The state has to make sure that the available money and the needs get hooked up, and not just in those communities that have good grant writers," says Don Saunders, director of the North Carolina Legal Services Resource Center. Says Greg Malhoit, director of East Central Community Legal Services in Raleigh, "There’s a dodging of responsibility at every level. The state says it’s a local problem, the counties say it’s a statewide problem, and the cities say it’s a county problem."
demonstration projects to aid the mentally ill, a grant program for homeless children, a literacy training program, and a program for identifying and converting surplus federal property to homeless shelters. Under the Emergency Shelter Grants Program—the most heavily funded McKinney category—106 shelters in 56 North Carolina counties have received funds. The other 44 counties have not applied and thus have received no emergency shelter grants, including some which have reported large homeless populations (see Table 2). The program requires a dollar-for-dollar match, which can be put up by local government or by the service provider, and the applications must be channeled through local government. Many counties and municipalities have decided they don’t need shelters or are unwilling to put up the matching money, and the state has declined to step in.

Vance, Granville, Warren, Franklin, and Person counties—five counties linked as the Kerr-Tar Council of Governments—have at least 752 homeless people, according to the July 1988 survey by the Division of Community Assistance. In the five counties, there is one shelter—for families only—and not a single soup kitchen.

The Martin administration also has missed chances to leverage McKinney money. For ex-

Charles Eatmon, left, and Johnny Kersey, right, before a rally for the homeless at the state Capitol on March 30, 1990.

"The story usually is short. A few seconds on TV, a couple of column inches in the paper. The story? Homeless man found dead."

—Giles Lambertson,
Capitol Broadcasting Co.
editorial, Feb. 20, 1990
Table 2. N.C. Counties Receiving Federal McKinney Act Emergency Shelter Grants, by Number of Homeless*

<table>
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<th>One or More Grants Received</th>
<th>Number of Homeless in the County**</th>
<th>One or More Grants Received</th>
<th>Number of Homeless in the County**</th>
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ample, the state has not received money under the Department of Housing and Urban Development's Permanent Housing for the Handicapped Homeless program despite a pressing need for such housing. Martin administration officials say they detected little local interest and ultimately decided not to seek matching money for projects from the General Assembly.8

Admittedly, the McKinney Act makes it difficult for state government to play a leading role. The legislation is a patchwork of 20 programs, channeled through seven federal agencies. A few programs bypass the state altogether, going directly from the federal government to local government or to Community Action agencies. Others are an awkward fit for existing state agencies.

And state officials point out that the act included no money for administration. "We would like to have sponsored workshops or helped create a statewide homeless coalition, but that would have to be on top of everything else someone is doing," says John Mandeville in the Department of Human Resources. "If the state is going to take the lead, there needs to be a state appropriation or a change in the McKinney Act. Someone needs to be paid to sit down and see what the state's role should be."9

Some states, however, have been more aggressive and have accomplished more than North Carolina without increasing state appropriations. Tennessee Gov. Ned McWherter, for example, used re-allocated federal dollars to assign a full-time coordinator for the homeless to the state Department of Social Services. That coordinator has successfully directed more McKinney funds to rural areas, provided technical assistance for local grant applicants, spurred the hiring of local-level homelessness coordinators, and helped the
<table>
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<th>County</th>
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* The state has awarded five rounds of McKinney grants since May 1987. Grants were awarded for the latest round in May 1990.

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

TOTAL Yes=56 counties 8,045
No=44 counties homeless
intervention. For many of the homeless, mental illness, substance abuse, and underdeveloped social skills are major obstacles to becoming self sufficient. A Louisville program, Project Worth, enrolls the homeless in remedial schooling and vocational training and placement, and coaches participants in such basics as keeping a budget and getting to work on time. Yet in the first year of a program cited as a national model for helping the homeless, only 10 percent of participants completed the training and held a job for at least three months. Many of the dropouts had returned to drinking and drugs—the kinds of problems that led them into homelessness in the first place.

Increasingly, though, people who work are winding up homeless. With rising rents stretching their budgets tighter and tighter, it may take no more than an illness, a divorce, a stiff rent hike, or even a temporary layoff to force them out onto the streets. Others lose their jobs to economic dislocation—farmworkers, foresters, and unskilled laborers forced out of an economy requiring higher skills.

Once they lose their homes, these families—widely referred to as “the new homeless”—face traumas they have never known before. Often they are forced to move in with other families, or to break up and live with relatives. Shelters are a last resort, and men and women are usually separated. Durham’s Allebaugh sees a pattern of depression and denial that can lead to drinking and drug use. Before long, he says, many of these new homeless are indistinguishable from the hard-core homeless. “You learn to hustle and forget these skills that are required in mainstream America, like planning and money management,” says Allebaugh. “I try to get those people services right away. If they don’t [get services], they develop the same survival attitudes as the others.”

Why this apparent surge in the ranks of the homeless? Vagrants and street bums have been around forever, but homelessness did not become a problem with a name until the mid-1980s, when the national economy was recovering from the worst recession since 1929. Despite sustained economic growth, the homeless have grown more numerous every year, spawning intense national debate about the root causes of homelessness, and the potential solutions.

Mary Uebelgunne, an advocate for the homeless in Raleigh.

state tap McKinney funds for permanent housing for the handicapped homeless. The result? A state less populous than North Carolina received $20.9 million in federal McKinney Act funds through the 1989-90 fiscal year—24 percent more than the $16.8 million North Carolina got during the same period. Among Tennessee’s accomplishments: the construction of four facilities for the chronically mentally ill and mentally retarded homeless, financed through the Permanent Housing for the Handicapped Homeless program.

Tennessee’s effort is more modest than states such as Massachusetts, which has poured millions of state dollars into a four-pronged assault on homelessness comprising prevention, emergency services, supportive services, and permanent housing. Still, it provides a model of how states can maximize McKinney dollars and direct them to the areas of greatest need, so that each region of the state gets its fair share. North Carolina’s piecemeal approach offers no such assurances.

There is no easy solution to homelessness, however, no matter what the level of government
Causes and Cures: The Public Debate

In a January 1990 ABC-Nightline segment that led with film clips of aggressive panhandlers on the streets of Santa Barbara, Myron Magnet of the Manhattan Institute for Policy Research blamed the problem on "30 years of mistaken liberal social theory and social policy." Magnet said deinstitutionalization—the idea that many of the institutionalized chronically mentally ill could be better treated in their communities—led to the dumping of helpless people into the streets. He said the substance abusers represent a breakdown brought on by decades of "I'm OK, You're OK" societal promiscuity. Magnet's solution was more prisons for the drug abusers and reinstitutionalization for the mentally ill, although he offered no ideas for how to pay for the tremendous cost of this approach.

An opposing view was offered by William Nern, an Episcopal priest who administers homeless programs in San Francisco. Nern pointed to a depleted stock of low-cost housing and an educational system that provides inadequate job skills as two root causes of homelessness. He advocated treatment for substance abusers, and spending enough money to give community-based treatment of the mentally ill a chance to work.

Scott Shuger, writing in the March 1990 Washington Monthly, offered yet another perspective. Shuger argued there are many causes of homelessness, each requiring a different solution. And Shuger maintained the media obscure these differences among the homeless by depicting their problems as essentially the same.

Fighting for Her Children

Kathy Chiles fell on hard times when her husband went to prison for breaking and entering and larceny. Since then she has been in and out of a Winston-Salem homeless shelter. At 28, she is the mother of five. Three of her children are in foster care. "They took my kids from the shelter and put them in a foster home," says Chiles. "Now I'm fighting to get them back."

Two others are staying with a relative while she tries to get back on her feet. Kathy works at a Burger King and has moved out of the shelter and into a house with her sister. At some point she hopes to be able to provide a home for her children. Chiles says homeless families need a broader range of services. The shelter, she found, was no place to raise children. "They would let anybody in, like drunks and stuff," she says. "I really didn't want my kids around that."

The requirement that residents leave the shelter every morning left Chiles with three children on her hands and nothing to do with them. "We were up at 6:15 and out at 7, no matter what the weather," says Chiles. "We just walked around all day until it was time to go back in." Evenings at the shelter were little better, Chiles says. "My kids, they would really just get on my nerves because they were right there," she says. And the shelter life in general was too restrictive, Chiles says. "I like to go to bed when I want to, sleep when I want to, and eat when I want to," she says. "Down there, you can't do that."
them as mainstream Americans brought to ruin by a run of bad luck. In his own article, Shuger took a different tack. In no way pretending to be scientific, he took to the streets of Washington to talk to homeless people—con artists, drunks, people who were mentally deranged, and a few people whose hustling seemed truly focused on getting back on their feet.

Shuger pointed to what he called the “X-Factor” among some of the homeless—a failure to fit in or to make the kind of compromises most people readily make to assure their survival. He also acknowledged the lines of homeless women with children waiting patiently for some meager public benefit or rushing on sore feet to catch the next bus on route to a low-wage job in a city with one of the nation’s most expensive housing markets. Still, Shuger concluded that media depictions to the contrary, most of the nation’s homeless are “not like us,” adding that, “The correct position is to admit the differences among the homeless while strenuously working to help them all. If conservatives need to care more, liberals need to see more.”

All of this armchair sociology is beside the point to some advocates. They believe the disappearance of cheap rental housing is ratcheting up the rate of homelessness, and all other causes are secondary. “The fact is that the housing market, both locally and across the nation, doesn’t work anymore for people below a certain relatively prosperous level,” says Robert Lane, president of the Wake County Coalition for the Homeless. “Costs have risen and continue to rise everywhere... and wages and public benefits have fallen far behind. This is a structural change that, barring a serious recession or worse, won’t be reversed. The situation has been aggravated by the federal abandonment of affordable housing and the loss of low-cost housing units through demolition or conversion [to condominiums]. Compared to the magnitude of these powerful trends, the deinstitutionalization of the mentally ill and substance abuse are decidedly secondary problems.”

Beneath such discussions about the causes of homelessness lies the question of fault. Is homelessness the fault of society or the homeless individual? Is it the liberals, who set free the mental patients, or the conservatives, who slashed low-income housing stock? But ultimately, assigning blame is less important to formulating an effective state policy for helping the homeless than is assessing needs and evaluating programs that are already in place.

The common denominator among the homeless is that beyond the shelters, abandoned cars and underpasses, they have no place to live. That’s a housing problem. Many of the homeless are also clearly beset by a range of problems that fall under the rough rubric of mental health—alcoholism, drug abuse, and chronic mental illness. Even Shuger’s “X-Factor” can fall under this broad category. Finally, the homeless are deterred by the same difficulties many poor people face in obtaining government services, only more so in that they are often the poorest and most alienated of the poor. Thus, thinking about a state policy for the homeless requires a detailed look at three broad areas—(1) housing, (2) mental health, and (3) access to government services.

One:
The Housing Part of the Homeless Problem: The Affordable Housing Crunch

The decline in affordable housing stock is a well-documented fact. “I don’t think there can be any serious doubt that the housing problem is the single most important cause of homelessness in the 1980’s, far more important than any other factor,” says Lane. The U.S. Conference of Mayors’ December 1989 Status Report on Hunger and Homelessness in America’s Cities offers support for Lane’s assertion. Officials in all 27 cities surveyed cited the lack of affordable hous-

"You still ain't got a job. And I work in a market as a checkout girl. I know things will get better. You'll find work and I'll get promoted. We'll move out of the shelter. Buy a big house and live in the suburbs."

—Tracy Chapman "Fast Car"
ing as the main cause of homelessness. By contrast, 52 percent cited mental health services as a main cause, and 52 percent cited substance abuse. Since the 1970s, gross rents for apartments, including utilities, have risen much faster than lower-income wages. Housing officials consider an apartment affordable if it rents for 30 percent or less of a family's household income. Using that standard, 7,400 households in North Carolina paid more than they could afford in rent in 1980, according to the Low-Income Housing Information Service of Washington, D.C. By 1985, the numbers had increased five-fold to 48,100, with no sign of a letup.

While rents have risen steadily, earnings for those on the lower end of the economic scale have remained stagnant or have declined. The minimum wage was not adjusted for most of the 1980s, and federal benefits like Aid to Families with Dependent Children have not kept up with inflation. Currently, a mother with two children and no other income receives a maximum of $272 in AFDC payments each month. Average rents in Raleigh exceed $400 a month. Moreover, rising housing prices have blocked many low-income families from moving into homes of their own. In some rural North Carolina counties, 80 percent of the families can't afford a median-priced new home and many, consequently, have to live in substandard housing.

Lee Jordan, a homeless man who lives in a Raleigh shelter and who spends his days on the Fayetteville Street Mall in downtown Raleigh.

Gentrification of old downtown neighborhoods like Raleigh's Oakwood has forced many people onto the streets, especially single men, by converting apartment houses and boarding houses into expensive single-family homes. In Raleigh, five residential motels and boarding houses, with a total of 475 beds, have been destroyed since 1973. Conversion of apartments into condominiums has aggravated the problem.

And demand has outstripped the availability of the traditional alternative for low-income families—federally subsidized housing. Federal budget authority for new housing expenditures was cut 75 percent between 1981 and 1987. Accordingly, in many cities families wait for years for subsidized housing.

The Raleigh Housing Authority expanded its subsidized housing stock by 400 to 500 units a year in the 1970s. Today, it adds fewer than 100 units annually, despite continued population growth and long waiting lists of eligible families. Most of those units are subsidized private housing under the Department of Housing and Urban Development's Section 8 program, which pro-
More than just a shelter, Sharing House in Raleigh offers the homeless a sixth-month stay and services aimed at helping them get back on their feet. Experts say more of this transitional housing is needed to move people out of homelessness.

vides families with vouchers for rent subsidy. Section 8 vouchers are not issued, however, unless low-rent apartments are available. About 3,000 families typically are on the waiting list for the vouchers in Raleigh, says Housing Authority Director Floyd Carter. For conventional public housing, the wait is two to three years.

Meanwhile, rent controls are scheduled to expire on thousands of privately held apartments built across the state in the 1960s with federal interest subsidies, threatening further erosion of the state's affordable housing stock. At the same time, shelters may act as a magnet for some people who live in grossly substandard housing. These are the voluntary homeless, drawn by warmth, hot running water, and a meal. According to the state Housing Finance Agency, there are 710,000 families living in substandard housing in North Carolina.

Many homeless people need something more than a shelter but less than permanent housing—a place to get back on their feet, master basic living skills, look for a job, and save money for a deposit on rental property. This is referred to as transitional housing, and churches have led the way in providing it. Raleigh, for example, has three church-operated houses or groups of apartments for families and one for single men.

Some cities also are experimenting with publicly financed versions of transitional housing. In May 1989, the city of Raleigh opened a row of transitional apartments for nine families. After acquiring the property through foreclosure, the city rehabilitated the apartments through a $200,000 McKinney Act grant, which it matched. Families may live in the apartments for up to 18 months. Rent is low and based on ability to pay.

And in what could be the beginning of cross-government cooperation, each family is assigned a county social services caseworker who helps them get federal benefits, job training, and day care. Area churches provide volunteer families
who visit with the homeless families, offering them help and advice.

Despite such efforts, policymakers say the homeless will continue to crowd into shelters until more low-cost housing is available and upgraded and existing low-cost housing is protected. But who will pay? It won’t be the federal government—at least not in any major way. The National Housing Task Force report of 1988, “A Decent Place to Live,” said states and local governments would have to shoulder most of the burden.

In North Carolina, a few cities and counties already are doing so. Since 1979, the city of Charlotte has invested $18.3 million in developing 921 houses and apartments for people with low and moderate incomes. The city of Raleigh, which did not have a housing policy until 1986, now spends $1.6 million a year on a program that provides loans for rehabilitating substandard housing, second mortgages for first-time home buyers who get behind on their payments, deferred loans for elderly homeowners, and a rent-to-own program for low-income families. The city and the Raleigh Housing Authority have also applied for McKinney Act Funds to build 15 to 20 single-room rental units that could have a more direct impact on the homelessness problem. The cities of Winston-Salem, Greensboro, and Durham have broken new ground by approving general obligation bonds for housing. Durham County is one of the few counties that has committed bond money—$2 million, approved in 1986—for affordable housing.

But Malhoit of East Central Community Legal Services argues that home ownership programs do not help the homeless. “Our view is that home purchase programs aren’t really getting at the problem,” says Malhoit. “It’s more a problem of affordable [rental] housing needs.” Malhoit points to a housing hierarchy of shelters, subsidized rental property, private rental property, and home ownership.

“'To the moderately poor the home is the only place of liberty.'”
—G.K. Chesterton

have high levels of substandard housing, poor ratios of income to housing costs, and small tax bases? The state has put its toe in the water, but so far has not taken the plunge.

A Part-Answer: The N.C. Housing Trust Fund

The General Assembly created the N.C. Housing Trust Fund in 1987 to provide loans or grants for new construction or renovation of low-income housing.21 The trust fund was given $21.5 million the state received from the Department of Energy in a settlement with the oil industry for overcharges on oil during the energy crisis in the 1970s. At least 60 percent of the money must go toward energy conservation-related work on new or existing low-income housing.

The trust fund’s policies are set by the Housing Partnership, a board consisting of home builders, mortgage lenders, and housing advocates and community organizations.22 The partnership has developed two programs. The first, an energy conservation and rehabilitation program, has distributed $5 million in grants to 56 local government and nonprofit agencies around the state. The money has paid for energy-related repairs on approximately 900 buildings, most of them single family detached houses.

The second is a $4.4 million deferred-payment program for loans to for-profit and nonprofit developers who are building new projects or converting older buildings to housing. Again, because of restrictions in the oil overcharge court settlement, the money must be spent on energy conservation-related work, not for general construction, engineering plans, or site purchasing. Moreover, while both trust fund programs should relieve the overall housing problem, they have done little of direct benefit to those in the greatest need of housing—the homeless.

Of the 95 projects approved by the Housing Partnership as of Jan. 1, 1990, two were transitional housing projects and one was a shelter for the homeless. Shelters and transitional housing programs are at a disadvantage in competing for trust fund money for
two reasons: (1) The fund requires local government or nonprofit agencies to submit proposals, and in many rural areas there are no willing sponsors; and (2) the sponsoring agencies must prove they can pay a new project’s operating costs for at least 10 years. That is a difficult requirement for non-rental projects that will depend on private and public support.

The Housing Partnership has not been receptive to the idea of creating a special fund with easier rules for projects geared toward the homeless. “Now that we’ve received state funding, there’s a lot more reason to consider that,” says Don Saunders, director of the North Carolina Legal Services Resource Center and head of the partnership’s program committee. But, says Saunders, “We feel very strongly that our main responsibility is to assist in the building of permanent affordable housing stock. In the long run, that’s the only solution to homelessness.”

Targeting the trust fund to specific populations—like the homeless or the mentally ill—would be easier if the fund had both more money that was not restricted to energy conservation.

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**A Rust Belt Refugee**

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

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

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

Despite Raleigh’s reputation for low unemployment, Ruhlman says without technical skills, it’s difficult to find a job paying much more than the minimum wage. There are construction jobs, he says, but carpenters must
work and a recurring revenue source. In 1989, the legislature made a one-time, $2 million appropriation to the trust fund—considerably less than the $10 million the partnership had sought. (The net gain was actually smaller because the legislature transferred $500,000 of the trust fund’s oil money to a solid waste management program.) The $2 million is enough to build only about 40 single-family units. Still, given the tight state budget in 1989, Saunders says the money set an important precedent as the first state tax dollars set aside for the housing trust fund.

As for recurring funding, other states have earmarked interest on deposits or real estate transfer taxes for their housing trust funds. The Housing Study Commission that proposed the trust fund did not recommend any recurring revenue source, and the partnership has not yet endorsed one for legislative approval. The partnership includes real estate agents, bankers, and builders who would each suffer under one of those measures. “The problem is finding a non-governmental source that doesn’t gore someone’s ox,” Saunders says.

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

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

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

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

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

Aside from the lack of affordable housing, perhaps the most widely cited cause for homelessness is deinstitutionalization—the release of the chronically mentally ill from state mental hospitals. But experts say deinstitutionalization per se is not a major factor behind North Carolina's growing numbers of homeless, as it has been in many Northeastern cities. When North Carolina began reducing its mental hospital populations in the early 1970s, it transferred thousands of patients to rest homes and nursing homes, rather than release them directly to the streets, says Donison Willis, chief of community initiatives in the Department of Human Resources' Division of Mental Health, Developmental Disabilities, and Substance Abuse Services. Today's homeless, Willis says, are thought to be in their mid- to late-thirties, on average, too young to have been affected directly by the policy change.

However, reduction in beds and tightened eligibility criteria at the state mental hospitals has created a group that might be called the uninstitutionalized. These are the chronically mentally ill who might have been institutionalized in the past but are no longer admissible because they are not a danger to themselves or others.24 Many of them wind up homeless. State Division of Mental Health officials say this group is not large, but how do they know? They've never done a study.

As evidence that the mentally ill are not a major part of the homeless problem, Willis cites the 1986 "Street People" survey. That study found a surprisingly low number of the soup-kitchen patrons—7.3 percent overall—had been institutionalized or served by area mental health centers.25

But soup kitchen patrons are not necessarily homeless, and Dorothea Dix Hospital officials alone estimate they release 268 patients every year who are so mentally ill they need supervised living arrangements. Yet the mental health system is providing very little of this kind of housing. And with limited beds and tight budgets, the hospitals have an incentive to release patients as early as possible—if necessary, directly to a shelter.

According to hospital policy, Dix will provide each patient with a month's worth of medication and an after-care plan that includes an appointment at a local mental health center. In fact, Dix officials say, many patients are released with nothing more than their clothes and a bottle of pills. These include patients who refuse to cooperate in developing a plan, those ordered released by doctors before a plan can be developed, and those released under court order. The Wake Mental Health Center has 12 case managers who are supposed to monitor former Dix patients, but they don't pick up a case until the patient comes into the center. Many patients never make it. As a result, they run out of their anti-psychotic medication, become unstable and disoriented and, after a period on the streets, often wind up at Dix again. And some families unable to get seriously ill family members into hospitals to begin with ultimately turn them out into the streets.

What is missing is an intermediary stage—community-based housing for the mentally ill. Under pressure from a court order or political groups, Wake County's Mental Health Center has established group homes providing 122 beds for the adult mentally retarded, and 23 beds for "Willie M" children—juveniles who are potentially violent. But for the chronically mentally ill, the only supervised living arrangements are 34 beds in several houses on the Dix campus rented from the hospital. Statewide, Willis says North Carolina provides supervised housing for only 408 chronically mentally ill adults outside the hospi-

"Naked need came begging—those who'd lost their homes because of market forces, the mentally ill, the abused, and beaten. But whether they came from the ghetto or from a glistening shore town, they shared the unmistakable stamp of impoverishment that, while no one was looking, counting, or measuring, had invaded American culture."

—Kathleen Hirsch
Songs from the Alley
Two homeless citizens sleep away the day at the Bethesda Center day shelter in Winston-Salem.

The state Division of Mental Health and nine of the 41 Area Mental Health Authorities have begun discussing how to work with nonprofit organizations to pull together financing packages for “supportive housing” projects. “One of the obstacles has been that housing is perceived more as a social service, and we’re a mental health agency,” says Willis. “But we’re going to have to take the lead if housing is going to be provided for mentally ill folks.”

**Outreach and Treatment**

Beyond the question of housing, mental health officials say they have trouble delivering more basic services to the homeless, such as treat-
Brenda Starr, a member of a homeless group that calls itself Home Street Home, holds a banner in front of the state Capitol.

Even programs intended for outreach seem to end up doing something else. The Wake County Mental Health Center was one of six nonprofit agencies that received McKinney Act grants for mental health services in 1988. With the $55,000 grant, the Center hired two case managers to provide outreach services to the homeless—crisis intervention and referrals to other medical services. But as the program has evolved, the case managers have restricted themselves to working with patients who have already been screened by the mental health center, the satellite clinic, or Dix Hospital. Those most in need—the hardest to serve—remain outside the system.

A different approach is taken in Forsyth County, where outreach workers employed by the Forsyth-Stokes Mental Health Center have aggressively pursued the homeless to get them counseling and services. “I started out three and a half years ago, on the streets—literally,” says outreach worker John Canupp. A retired regional director for the Division of Mental Health, Developmental Disabilities, and Substance Abuse, Canupp operates out of a modest office in a Winston-Salem day shelter for the homeless called the Bethesda
Center. Also at the center are a mental health nurse and a social worker. Canupp helps the homeless get treatment and counseling, but also attends to practical concerns like getting a photo identification card and securing a steady income through a job or Social Security benefits. "Our goal for them—and I hope their goal—is a place of their own," he says. Still, Canupp’s hands-on approach is the exception rather than the rule.

Why is the mental health system so resistant to change? "Partly it’s funding," Kirkpatrick says. "We are spread awfully thin. Part of it is training. And part of it is changing our view of the world. Historically, we’ve enjoyed curing people. Increasingly, however, we’ve become aware that the population we’re going to deal with are those who aren’t going to be cured, and all you can hope to do is ameliorate their situation. We have pieces of an answer, but not yet an answer."27

This hesitancy about outreach is not merely about how to fund or structure a program. It also reflects a lack of knowledge about how to treat the compound problems—mental illness or retardation compounded with drug or alcohol abuse—that many homeless people suffer, Kirkpatrick says. "For a substance abuse professional, alcoholism is something that has to be dealt with before you can deal with anything else," he says. "From the mental health side, alcoholism is simply a symptom of a more profound mental illness and it’s something to be talked about with all the others. Both are probably partly wrong. It’s really calling for synthesizing a whole new treatment track, which is very difficult."

In practice, the situation is the opposite of what that suggests. The state has built separate centers for the treatment of alcoholism and mental illness, and, often enough, each passes the treatment buck when it comes to the homeless. There are three state alcoholic rehabilitation centers and four state mental hospitals.28 In a typical case, Durham’s Allebaugh sent one homeless person to the Durham Area Mental Health Center. "They said they couldn’t help him until he dried out, so we took him to the ARC [Alcoholic Rehabilitation Center]," says Allebaugh. "They said they couldn’t treat him because he didn’t have his medication with him. If I hadn’t inserted myself, he would have been turned away."

The alcoholic rehabilitation centers—in Black Mountain, Butner, and Greenville—are usually full because many hospitals dump indigent patients on them with acute medical conditions, says Tony Mulvihill, director of the Al-
cohol/Drug Council of North Carolina. The ARCs are designed to provide a 28-day period of detoxification, stabilization, and treatment for alcoholics.

Wake County's Alcoholic Treatment Center, run by Wake County Mental Health Center, has stringent rules that keep Wake Medical Center from dumping serious medical cases. But the treatment center is small—34 beds—and frequently full. It often must turn people away—back to the shelter or to the street. Even after treatment, Kirkpatrick says, the center is unable to find housing for many of its patients, who predictably return to the streets and alcohol.

Many homeless alcoholics don't need an inpatient facility. They need a place to dry out and get on their feet again under supervision. A total of 15 such facilities, known as social detoxification centers, have been established in North Carolina, but Mulvihill says more are needed.

In addition, homeless alcoholics need halfway houses to ease their transition back to society. "We don't have a continuum of care," Mulvihill says. "We need a chain of housing under different levels of supervision."

Three:
The Service Delivery Side of the Homeless Problem: Access to Government Services

Even those homeless without severe mental problems have difficulty negotiating the system to obtain needed services. North Carolina's social services are organized for people who have transportation and are willing to go to several different offices, fill out difficult forms, and persist when rejected. They make no allowances for the homeless person who has difficulty coping and may have lost trust in the system. As a result, many of the homeless don't get the benefits to which they're entitled.

County social services departments are responsible for Aid to Families with Dependent Children, food stamps, Medicaid, and adult and child protective services. They have social workers assigned to protecting children, abused adults, and discharged mental hospital patients. Wake's Department of Social Services has 105 social workers, but only three caseworkers designated for adult services, and none for the homeless. "Not when I have staff doing overtime just to keep up with legally mandated services," says Social Services Director James Wight. "The state is just paying for services they mandated years ago, like child protection. I can't afford to take on optional needs."

Malhoit, however, says that providing shelter for certain homeless people is not optional. The Protection of the Abused, Neglected or Exploited Disabled Adult Act, he says, requires that social services departments provide shelter for physically and mentally disabled adults.

The Wake department does provide emergency funds to homeless families to pay for rent payments or deposits. But single men or women are not eligible because the funds are limited. Most counties don't have any emergency funds at all.

And social services is only one stop among many for homeless people seeking benefits. Other
offices the homeless must visit provide even more discouraging hurdles. Mental retardation, mental illness, and substance abuse are all disabilities covered by Social Security disability and Supplemental Security Income programs. To qualify, however, the disability must be serious enough that the applicant cannot work for at least a year. That is easy to determine in extreme medical cases, but when it comes to compound problems—mental illness and alcoholism, for example—screening becomes more difficult and perhaps more subjective.

If an applicant doesn’t have a medical record—and most homeless people don’t—the Social Security office pays for a one-time visit with a doctor or psychologist. Many homeless people don’t keep their appointments, says Rosemarie Downie, a field representative in Wake County’s Social Security office. Even if they do, Downie says, “One visit is not long enough to make a good judgment” in many of these cases.

Says Durham’s Allebaugh, “In my experience, most homeless applicants are turned down on their first attempt for SSI [Supplemental Security Income] and have to file an appeal in order to get the doctor’s appointment. Unless you have someone who can spend full-time working with these people to fill out the paperwork and do the procedures, they’re lost.” In the Street People survey, 48 percent of the respondents said they were chronically ill, but only 14.1 percent said they received Supplemental Security Income.

Social services providers say they face a number of obstacles to meeting the needs of the homeless. Because most shelters are open only at night, they say, any outreach must be done after hours. To improve access, one obvious solution would be to create day shelters where the homeless could gather and where representatives of social services agencies would be available. Some North Carolina cities are taking half-steps in this direction. In Pitt County, for example, a group of Greenville churches has rehabilitated a large downtown house into transitional apartments with a work program and an in-house health clinic. Chapel Hill’s Interfaith Council of Churches has opened a 24-hour shelter downtown that includes emergency services, a visiting health clinic, and a soup kitchen. Two county mental health workers and a social worker operate out of Winston-Salem’s Bethesda Center day shelter. Durham’s shelter has an in-house health clinic, but other county services have been slow to cross the threshold.

An alternative would be for counties to hire social workers or create a network of trained volunteers who could approach the homeless on the street or in shelters and shepherd them from one office to another. Wake County’s Department of Human Services has proposed hiring several caseworkers for the homeless and others in need of government services. “These people don’t know how to connect up,” says Maxine Maurice, the county’s human services administrator. “That’s why we need good case management.”

Helping the Homeless: Whose Job Is It?

Because the homeless have a unique combination of problems, they present a unique problem to policymakers. No one level of government and no one agency can develop the web of services that is needed. Nothing can happen without dialogue between officials with long-established turfs to guard—between housing and mental health officials, between private developers and city planners, between county boards of commissioners and city councils.

McKinney Act programs have at least begun to stir such conversations by making money available for cooperative projects. But it’s unclear whether those experiments will become permanent programs supported with non-federal funds, as the architects of the McKinney Act envisioned. Many North Carolina counties still do not recognize there are homeless in their midst. And cities and counties are often at odds over who is responsible—continued on page 28

“We’re serving a more and more seriously ill population than we used to, but we need to reach out beyond our served population to people on the street. We’re almost organized to keep the homeless away.”

—James Kirkpatrick
Director, Wake County Mental Health Center
Michael and Felicia Bullock lost a family feud about who owned the house they were living in in rural Granville County. Michael thought he was to inherit the house when his father died. His sister thought otherwise. She sold the house to a cousin and the Bullocks had to move. With that began an odyssey that led the family from the farm to the factory, from the country to town, and from would-be homeownership to homelessness.

Bullock says he decided to give up farming on the hope that factory work would provide a steadier source of income. "When wintertime comes, there ain't no more money," says Bullock. "That's the only thing about farming."

But Bullock found out that even a job in a textile mill doesn't guarantee a steady stream of income. He got sick, missed work, and got behind on the bills. Felicia was pregnant with the Bullocks' third child when the family got evicted from their frame wooden house in Henderson. The landlord padlocked the house and tried to charge the couple $15 every time they wanted to get back inside for their possessions.

Fortunately for the Bullocks, Franklin-Vance-Warren Opportunity Inc. had opened a shelter in Henderson for homeless women and children. Since Michael worked the night shift, he was able to spend time with his family during the daytime. Meanwhile, Minnie Henderson, the shelter's director, went to work helping the family find a place to live. But the new apartment would have to wait. "She [Felicia] came down the steps and I said 'Uh-oh, what's wrong?' and she said, 'I think it's time,'" says Henderson. "I said, 'Girl, please. Lay down, sit down, or something.' As soon as I got her to the hospital she gave birth."

Shortly thereafter, the Bullocks moved into a public housing complex in Henderson. Felicia since has taken a job at a cosmetics factory, working a different shift so that there is always someone to stay with the children. The tiny apartment is furnished mainly with children. The couple's framed marriage certificate is the only art on the wall. Still, the Bullocks aren't complaining. "I'll put it this way, we're doing better than we were," says Felicia. "I feel better being in my own place."

The Bullocks say it helps to have a go-between like Minnie Henderson when trying to get back into housing. Rent and utilities deposits are big obstacles, and some people worry that helping a homeless family will turn into a long-term obligation. "You can go on your own and doors will be closed in
your face right and left,” says Felicia. “You’ve got to have money to get in a home.”

Besides offering shelter and helping residents find a place to live, Franklin-Vance-Warren Opportunity will pay the first month’s rent on housing, will get water and electricity turned on, and, if needed, will help get clients enrolled in Job Training Partnership Act Programs.* The Community Action Agency also has housing rehabilitation money it can use as leverage to get landlords to accept homeless families, says director Bill Owens.

Owens readily admits that the shelter does not serve the full range of needs in its region. Typically, it does not house two-parent families. The Bullocks were an exception. Single men are referred to the Salvation Army, which might put them in a hotel for a few days. Still, the Bullocks are a testimonial to its success in keeping one family off the streets. “Ever what you do,” says Michael Bullock, “don’t shut the shelter down.”

The Bullocks — Chimere, Crystal, Tifanny, and Felicia, and Michael

less in North Carolina.

City and county officials are both fearful, moreover, that helping out private providers of services for the homeless will evolve into a legal responsibility—and an enormous budget drain. Meanwhile, many churches are feeling the pinch and want to get out of a job that they never expected would be permanent.

But the fact is, addressing the problem of homelessness will require the best efforts of government at every level and the private sector. Mental illness, substance abuse, expensive housing, joblessness, and the proliferation of low-income, single-parent households all are contributing factors. To eliminate homelessness would require a full-force assault on all of these social ills, and a tremendous amount of money, money that likely will not be forthcoming from Washington because of the huge federal budget deficit.

Yet the state is confronted with a budget crisis of its own—a budget shortfall of some $500 million in the 1990 session. State lawmakers may not be receptive to bold new initiatives in 1991. Still, dealing with the problems of the state’s neediest citizens cannot be postponed indefinitely.

Although the state’s current estimate of 8,045 homeless citizens is at best a rough guess, it is clear that the homeless do exist, that they exist in significant numbers, and that they need help. It is also clear that there is no overriding state policy that deals with the needs of the homeless. Programs are few in number, short on resources, and fragmented across a number of state agencies. In short, North Carolina’s effort at assisting the homeless is underdeveloped and ill-defined. The state has done little beyond responding to the minimal requirements of the federal McKinney Act and serving those homeless who seek out existing social services.

A card game at the Bethesda Center, which offers the homeless a dry, warm place to spend the day and access to social services and mental health outreach workers.
Recommendations

The state needs a policy to help the homeless, but it also needs more information to craft a policy that divides the homelessness burden justly among the various levels of government and the private sector. With both these needs in mind, the North Carolina Center for Public Policy Research recommends a deliberate approach. The ultimate goal should be the development of a comprehensive Homeless Assistance Act for North Carolina for the 1990s. The Legislative Research Commission study panel examining the problem provides the best vehicle for developing the act, and the 1993 General Assembly provides the earliest best hope for winning legislative enactment. To assure that the state’s limited resources are targeted most effectively, the Center recommends a four-step process.

1) The Department of Human Resources should reassess the magnitude of the homelessness problem by conducting a survey through county social services departments. Advocates say the problem of homelessness has had enough study and the time has come for action. That is only partly true. Clearly, state and local efforts at replenishing stocks of affordable housing—particularly low-cost rental housing—can be expanded greatly without exhausting the need. And it’s a fact that emergency funds are in short supply and that more housing options are needed for the mentally ill and substance abusers. But to craft a comprehensive homeless assistance program, it’s also clear that more information is needed.

The Division of Community Assistance’s current estimate of 8,045 homeless includes widely varying numbers of homeless in counties with similar population densities and economies. Nationally, the estimates range from 250,000 to 3 million, depending on who is doing the counting. The U.S. Bureau of the Census has completed its count of the homeless and plans to release its figures to the state in early 1991. Although the count has been criticized as reaching only the obvious homeless, it is another source that must be considered. But the LRC panel should recommend legislation to the 1991 General Assembly requiring that the Department of Human Resources—which oversees county social services programs—buttress the Census findings with a new survey of its own that uses a consistent methodology across the 100 counties.

2) The Department of Human Resources should catalogue existing resources. Before it can decide what to do about homelessness, the legislature should mandate that the Department of Human Resources determine what is already being done. Hundreds of agencies across North Carolina provide services and assistance to the homeless, including social services, mental health, and housing agencies, the nonprofit sector, and churches. As yet, no one has catalogued these resources. There is an extensive network of shelters across North Carolina, some using public funds, some using private funds, and some using a combination of the two. Wake County has a highly restricted emergency assistance program that can be used to help people threatened with homelessness who do not qualify for Aid to Families with Dependent Children. Many counties don’t even offer that much. And what about inmates released from the state’s overcrowded prisons? Are we turning them out with no place to go except the streets? The Department of Human Resources should be given the statutory authority to require local departments of social services to compile lists of resources for the homeless in their counties and to forward them to the state. These can be compared to the new estimates of the numbers of homeless to reveal gaps in services.

3) The 1991 General Assembly should reauthorize its Legislative Research Commis-

“*She calls out to the man on the street.*

’Sir, can you help me? It’s cold and I’ve nowhere to sleep. Is there somewhere you can tell me?’

*He walks on, doesn’t look back. He pretends he can’t hear her. Starts to whistle as he crosses the street. Seems embarrassed to be there.*”

—Phil Collins  
“Another Day in Paradise”
Yvonne Trice, director of Sharing House, cradles the transitional shelter's smallest guest, an infant born to a homeless couple living at the shelter in Raleigh.

sion study committee on homelessness. The panel's authorization is set to expire in January 1991, before all the facts are in and before any major legislation has a realistic chance of passing the General Assembly. Yet by 1991, this group will have just begun to reap the benefits of a patient and systematic information gathering process. The 1991 legislature should reauthorize the LRC panel and require that it report to the 1993 session of the General Assembly.

4) The reauthorized Legislative Research Commission panel should draft a Homeless Assistance Act that addresses housing, mental health, and access to services and present it to the 1993 General Assembly. Armed with a better estimate of the magnitude of homelessness in North Carolina and the resources that have already been brought to bear on the problem, the study panel should draft a Homeless Assistance Act that addresses (1) housing, (2) mental health issues, and (3) access to services. Massachusetts offers one of the nation's most generous policies toward the homeless, with programs addressing all three areas. The effort includes an emergency assistance program that pays rent, heat, utilities, and a clothing allowance for up to 90 days for those at risk of becoming homeless. After an eviction, the program provides money for utility deposits and the first and last month's rent when a new apartment is found. The state also provides direct start-up and operating cost support for shelters, and has launched an ambitious low- and moderate-income housing program. In addition, Massachusetts has adopted a case management approach, requiring social workers across the state to make sure the homeless get necessary government services.

Many of the Southern states have launched less ambitious programs, but still are doing more than North Carolina. Virginia provides grants and loans for shelters and longer-term facilities for the homeless through its housing partnership fund. Tennessee has appointed a homelessness coordinator for each of its 95 counties, besides
making better use of McKinney Act programs. Maryland’s effort includes a rental allowance program for families at risk of becoming homeless and a program to assure that the homeless get shelter, proper nutrition, and adequate government services. Nationally, there are many other models of state efforts to help the homeless. Michigan has created a homeless shelter construction and rehabilitation program funded by income tax checkoffs, and a business tax credit program for contributions to low-income housing programs. Pennsylvania provides emergency shelter funding, a range of programs that combine housing and services for the homeless such as job training, child care, and money management, and a case management program to help the homeless become self-sufficient.

North Carolina can learn from these states’ efforts in working to craft a policy on the homeless. In the interim, the work of expanding services for the homeless should not be placed on hold. The state is easing into the affordable housing business but may need to do more to directly aid the homeless. The state also could pursue a broader range of options for housing the chronically mentally ill, drug and alcohol abusers, and

Understanding and a Helping Hand

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

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

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

THE FACES OF HOMELESSNESS
inmates being reintegrated into society. In addition, social services and mental health officials need to take a more active role in preventing homelessness through various forms of emergency assistance, and in getting services to the homeless through outreach and better case management.

A great deal of work remains to be done in defining the magnitude of the problem of homelessness in North Carolina and formulating an appropriate state response. But the end result of this process should be a humane state policy that focuses on preventing homelessness, retrieving potentially productive citizens who become homeless, and ameliorating the hardships of those who seem destined for a life on the streets. Only when such a policy is in place can the state be satisfied that it has shouldered its share of the homeless burden.

FOOTNOTES


2For a good discussion on the methodological problems encountered in estimating the ranks of the nation's homeless, see "Housing and Homelessness," The National Alliance to End Homelessness, June 1988, Washington, D.C., pp. 11-22.

3Estimate of the Homeless Population in North Carolina," compiled by the North Carolina Division of Community Assistance, Department of Economic and Community Development, July 1988. The survey was based on numbers reported by community action agencies and county departments of social services. Those organizations primarily relied on counts provided by shelters, according to the state Division of Community Assistance. In those counties without shelters, the reports were estimates based on requests for services.

The survey had wild variations from county to county. Some rural counties reported almost as many homeless as urban areas (Vance County had 400, as many as were reported for Wake; Chatham County reported 300) while nine others reported that they had no homeless. The Vance figure suggests that urban counties like Wake and other rural counties have far more homeless than reported, or that the Vance figures are inflated. It is unlikely that any county has no homeless. Tennessee's survey found homeless in every county.

Survey by the Education for Homeless Children and Youth Program, Division of Student Services, North Carolina Department of Public Instruction, February 1990.

Loma Gerome-Crowder et al., "The Street People... Who Are They?" Alcohol/Drug Council of North Carolina, Durham, N.C., October 1986, Table 11.

P.L. 100-77.


The Permanent Housing for the Handicapped program, run by the U.S. Department of Housing and Urban Development, is the only program funded under the act required to raise its own matching funds. That requirement was waived in the program's second year. The program provides funds for community-based long-term housing and supportive services for handicapped homeless people, with an emphasis on deinstitutionalized and chronically ill people, and a limitation of eight people per site. One part of the program—funds for acquiring buildings—requires the state to support the housing projects for up to 20 years, or pay back some or all of the money.

There was prolonged debate among various state agencies about who should be assigned responsibility for the program, according to John Mandeville, program development coordinator in the Department of Human Resources. At an interagency meeting, the state Housing Finance Agency and the Division of Community Assistance both declined, saying they lacked administrative support. In the end, the Department of Human Resources' Division of Mental Health, Developmental Disabilities, and Substance Abuse Services took the program because some area mental health agencies had expressed an interest in the funds. However, because of other pressing needs for legislative funds, the department decided not to seek matching money for projects under this program, Mandeville says.

In November 1988, the McKinney Act was amended to require that governors appoint coordinators to develop state "Comprehensive Homeless Assistance Plans" to guide the use of McKinney Act funds. Gov. Jim Martin appointed Robert Chandler, director of the Division of Community Assistance in the Department of Economic and Community Development, as the coordinator. Chandler has delegated that responsibility to a DEC employee, Deborah McCrae, who is the only employee in state government engaged solely with homeless issues. Her telephone number is (919) 733-2850.

An interagency task force on homelessness, including representatives of five state departments, was created in early 1989. The group meets irregularly.

Kathleen Hirsch, Songs from the Alley, Ticknor and Fields, New York, pp. 203-206.


Ibid., p. 9.


The federal minimum wage was increased to $3.80 an hour effective April 1, 1990, the first increase since 1981, when the minimum wage was raised to $3.35 an hour.

For more on the failure to keep pace with inflation of government benefits for poor people, see Anne Jackson and Jack Bets, "Who Are the Poor? The Demographics of Poverty," North Carolina Insight, Vol. 11, Nos. 2-3, April 1989, pp. 2-16.


"Housing and Homelessness," p. 8. See also Priscilla Cobb, "Cutbacks in Federal Housing Programs—the State's

21 Chapter 841 of the 1987 Session Laws, now codified as G.S. 122E.
22 G.S. 122E-4.
23 Gerome-Crowder, "The Street People" (See footnote 5 above) found the average age of those using the soup kitchens was 39.4 years. This is consistent with the findings of studies of local homeless populations across the nation.
24 G.S. 122C-201.
25 Gerome-Crowder, Table 27. "The Street People" study cross-checked the soup kitchen users against mental health center records and found that no one in the soup kitchens in Rocky Mount, Wilson, Hickory, Asheville, Burlington, Chapel Hill, Washington, Fayetteville, New Bern, Jackson-ville, or Lumberton had been served by area mental health centers. That suggests how inadequate the outreach of mental health services is in medium-sized urban areas of the state.
27 New financial incentives being established within the state's mental health system could make a big difference in providing services to the state's mentally ill, including the homeless. Currently, the state's 41 Area Mental Health, Developmental Disabilities and Substance Abuse Authorities are funded by grants-in-aid from the state and counties and fees, based on estimated needs. Under the Pioneer Funding Project, the authorities are being reimbursed on a unit basis for providing specific services. Pilot projects are underway at five mental health centers, and the system will be implemented statewide by 1994.

The Pioneer system includes three incentives that should make a difference in ending the standoffish stance toward the homeless. First, it provides more state funding for the most severely disabled clients. Because the homeless are often among the worst cases, mental health centers will have an incentive to serve them. Second, outreach services will be a specific unit of service reimbursed under the program. And third, funds will be more accessible for dual treatment. Centers that have designated programs for alcohol treatment or in-patient psychiatric services will be able to draw on and mingle reserve funds.

For a thorough discussion of the structure of the state's mental health, mental retardation, and substance abuse system, including community-based alternatives to institutions, see Michael Matros and Roger Manus, "Services for Disabled Persons, From Institutions to Communities," North Carolina Insight, Vol. 7, No. 1, June 1984, pp. 42-54.

In one model program, Massachusetts established nine "congregate supportive lodging houses" for the mentally ill homeless in 1986. Each was required to admit 60 percent of its residents from shelters and 40 percent from inpatient facilities. It has been recommended that these houses be allowed to accept substance abusers.


27 Gerome-Crowder, Tables 21 and 23.
28 G.S. 153A-255.
30 Counties can only exercise powers granted them by the state. The state has not granted counties authority to spend local tax money on building new housing. General powers of the counties are found under G.S. 153A and G.S. 159.
32 Gerome-Crowder, Tables 21 and 23.
33 G.S. 153A-255.
34 See Lee Walker, "Homelessness in the States," The Council of State Governments, Lexington, Ky., pp. 80 ff., for a listing of states which have enacted legislation dealing specifically with the homeless and a description of programs for the homeless in each of those states. For a thorough analysis of the roles of various levels of government and the private sector in helping the homeless, see Martha R. Burt and Barbara E. Cohen, "Who is Helping the Homeless?" Publius, Vol. 19, No. 3, Summer 1989, pp. 111-128.

Charles Eatmon at a rally for the homeless in Raleigh's Union Square.