

# Where Should the Homeless Sleep?

## Shelters Lead Nowhere

By Dennis P. Culhane

**P**HILADELPHIA people are fed up with the homeless, particularly aggressive panhandlers. Even traditionally tolerant cities such as San Francisco and Seattle have passed laws effectively prohibiting people from being homeless in public.

Americans have a right to be disillusioned with failed policies. But getting tough on street people misses the point: they are only a short-term problem. It is the masses who will join them that should force us to reconsider our tactics. We must break away from stressing temporary shelters and find a way to help the soon-to-be-homeless before they are uprooted from their communities.

Nearly a quarter of a million New Yorkers — more than 3 percent of the population and 8 percent of its African-American children — stayed in shelters over the last five years. The Mayoral Commission on Homelessness, led by Andrew Cuomo — now the head of the Federal Department of Housing and Urban Development's homelessness policies — urged the city to broaden the services offered at emergency shelters.

The commission said shelters should provide drug treatment, mental health services and job training. Mr. Cuomo also thinks temporary shelters should be a homeless person's first step in the path to affordable permanent housing.

This emphasis is misguided: Attaching more services to emergency housing and requiring people to move through shelters to obtain permanent homes puts the incentive in the wrong place: it increases the demand for

shelters and the length of time people must stay in them. And turning shelters into treatment facilities for substance abusers and the mentally ill would allow welfare agencies to unload their clients on the shelters.

Yes, the chronically homeless need transitional housing. But the vast majority of people who use shelters do so on a short-term basis, cycling in and out of precarious housing in poor communities. If we force them into transitional housing, the demand will far outpace our capacity to create it. It would create bottlenecks like the one that is forcing families in New York to sleep on the floors of their social workers' offices.

Fortunately, Mayor-elect Rudolph Giuliani is upset that the city spends \$500 million annually on shelters and wants to stop using them as a means of obtaining housing. He should appreciate that current programs must be shifted to keep people on the economic margins from slipping into homelessness and to revitalize the communities from which the homeless come.

The city should take state and Federal financing that goes to the shelters and use it to keep people out of them. Federal money through the McKinney Act — a \$700 million program for the homeless — and state welfare emergency-assistance grants and case management services should be used to help people with temporary housing crises. This would include short-term housing subsidies and helping people find new homes.

Homelessness is a problem of distressed neighborhoods, not just distraught individuals. Several Federal initiatives to create jobs and housing — Community Development Block Grants and enterprise zones — should be targeted for neighborhoods with a high incidence of homelessness. Banks that are not providing sufficient credit to potential home buyers and developers in these areas should be punished. The Department of Housing and Urban Development should give community housing organizations money to assist tenants in getting substandard units repaired, resolving pending evictions and restoring utilities.

Of course, a large percentage of single homeless people are mentally ill or drug addicted. As part of the Federal health care reform, residen-

tial treatment programs should be set up in poor communities for these people, and for those with AIDS, tuberculosis and other health problems that disproportionately affect the poor. More financial support for families with disabled adults would reduce the overwhelming burden on poor families who care for them.

More than \$200 million can be saved by closing unneeded state psychiatric hospitals. This money can be used to expand supportive-housing programs that help people with disabilities improve their self-sufficiency by offering them subsidized apartments with in-home medical care and social services. This is a cost-effective alternative to institutional care and is increasingly found in programs such as those developed nationwide by the Corporation for Supportive Housing of New York City and locally by the Philadelphia Mental Health Care Corporation.

All these changes would be expensive initially. But the current shelter-based approach is hugely wasteful, and savings would eventually be realized as we lowered the costs of homelessness to the health care, child welfare and criminal justice systems.

During the debate over health-care reform, it has been convincingly argued that replacing institutional care with community services would more effective and less expensive. Why should our approaches to fighting homelessness be any different? □

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Supportive  
housing costs less  
and works better.