

January 31, 1991Hearing Room D 8:00 a.m.Tapes 14 - 17

Measures heard: Informational

MEMBERS PRESENT:REP. BOB REPINE, CHAIR REP. JUDY BAUMAN, VICE-CHAIR REP. MARIE BELL REP. ROD JOHNSON REP. DAVE MCTEAGUE REP. GAIL SHIBLEY REP. RON SUNSERI

STAFF PRESENT:JANET MCCOMB, COMMITTEE ADMINISTRATOR KIMBERLY BURT, COMMITTEE ASSISTANT

WITNESSES:GERALD BIEBERLE, COMMUNITY ACTION DIRECTORS PETER GRUNDFOSSEN, ASSOCIATION OF OREGON HOUSING AUTHORITIES MARGE ILLE, HOUSING AUTHORITY OF PORTLAND DEBRA WOOD, EXECUTIVE DIRECTOR, CENTRAL CITY CONCERN ALAN KRAMER, STATE COMMUNITY SERVICES, DEPARTMENT OF HUMAN RESOURCES JEAN DEMASTER, BURNSIDE PROJECT, PORTLAND, OREGON AND THE OREGON SHELTER NETWORK

These minutes contain materials which paraphrase and/or summarize statements made during this session. Only text in quotation marks report a speaker's exact words. For complete contents of the proceedings, please refer to the

tapes.

TAPE 14, SIDE A

005 CHAIR REPINE: Calls the hearing to order. (8:00 a.m.)

Roll call: Representatives Johnson, Shibley, Sunseri and Repine answer "present".

012 GERALD BIEBERLE, COMMUNITY ACTION DIRECTORS: I represent the Community Action Directors of Oregon and one of our associate members is the Oregon Shelter Network.

BIEBERLE: I did submit a brochure, (EXHIBIT A), describing what Community Action Agencies are.

035 BIEBERLE: Our mission is to mobilize all the resources we can towards the goal of ending poverty; not only do we deal with homelessness, but we deal with weatherization, food distribution and a number of other things.

We are one of the prime non-government delivery services for social services in the communities.

050 BIEBERLE: We have "our white paper on homelessness", see Exhibit A, that was written before the passage of Measure 5; it will show you that there is a need for about \$10 million to get homeless people off the streets, out of shelters and into transitional services or permanent housing.

REP. BELL arrives. (8:05 a.m.)

BIEBERLE: There are great amounts of families, children and single women out there and shelters aren't enough.

CHAIR REPINE: Are these results tied into the census at all?

BIEBERLE: No, we haven't seen those counts, but we've found that the homeless population is hard to count.

095 BIEBERLE: We are finding that percentages stayed current; the family population of homeless is growing and we are finding families who are employed that are still homeless.

The situation is getting worse daily; appendix A has a list of the most common causes of homelessness, see Exhibit A.

REP. BAUMAN arrives. (8:10 a.m.)

130 BIEBERLE: First you have to try to prevent homelessness and then second

you have to deal with it once you get it.

There are three categories, chronically dependent, potentially independent and the independent.

BIEBERLE: Most families don't fall under the chronic dependent category; generally it has to do with economics and if you can deal with that you can deal with the problem.

165 REP. JOHNSON: How do these three categories correspond to the three categories set out in your testimony?

BIEBERLE: In this brochure we look at the poverty population and in the white paper the homeless population; they are talking about the same things.

171 REP. SHIBLEY: How do the three categories fit in with emergency, transitional and stabilization housing?

BIEBERLE: With the chronically dependent, the problem is long term if not permanent and the best you can do is work with the existing system to try to get that person to be the most self sufficient as possible.

You'll find that DHR is organized around that population more than anyone else.

The potentially self sufficient are left to their own devices as when it comes to prioritizing things they are the ones who are left out.

Generally people ignore the independent and let them fend for themselves.

REP. SHIBLEY: Chronically dependent will need emergency, transitional and stabilization housing and services; the potentially independent will need emergency, transitional and stabilization housing?

BIEBERLE: If there is affordable housing the independent population

will find that relatively quickly; potentially independent are somewhat similar, but the chronically dependent, I'm not sure we will ever get them off the street.

222 REP. SUNSERI: How many of these folks would fit into a category of "willfully dependent"?

BIEBERLE: There are some, I couldn't tell you how many; I generally don't worry too much about them, we are focusing on families now.

PETER GRUNDFOSSEN, ASSOCIATION OF OREGON HOUSING AUTHORITIES: I'd like to introduce Marge Ille of the Housing Authority of Portland; I think that she has special insights to that question.

240 MARGE ILLE, PLANNER, HOUSING AUTHORITY OF PORTLAND: If we knew the backgrounds of the "willfully dependent" we may understand why they are where they are; we don't want to create more people like that.

If we can work with families and children we have a chance to stop that; many singles that are homeless were homeless as children.

272 BIEBERLE: "The white paper" tries to show that for roughly \$1000 you can get a family off the street.

The feeling seems to be that the cuts from Measure 5 are awful, but that budget wasn't that good to start with.

300 CHAIR REPINE: HARRP, as we know it today, vs. using those funds to develop the housing trust concept; does that keep the HARRP philosophy and meet some of the future needs of Oregon's housing problems?

BIEBERLE: HARRP is a housing assistance program, not a property tax relief program; any time money can go to the hands of low income people I am in favor of that; I do have my questions as to the targeting of HARRP.

I would be in favor of looking at HARRP funds to see what else we could do with those.

340 REP. JOHNSON: Are you familiar with "Self Help"?

BIEBERLE: No.

REP. JOHNSON: Do you see that as something worth pursuing?

BIEBERLE: Yes, I would pursue anything that gets people in houses.

365 REP. BAUMAN: The 1989 session brought community development; now we have the opportunity to focus on bringing this back home to scrutinize it.

The opportunity you are bringing to us is to bring this "back home"; it is a community problem.

REP. MCTEAGUE arrives. (8:28 a.m.)

420 REP. BELL: Emergency housing vs. low income residential housing; how do

we balance that so we aren't forgetting one or the other?

BIEBERLE: They are both important, ultimately, we need permanent housing, but until we can do that we will have to do some "stop gap" stuff.

I will try to come up with numbers for you.

REP. BELL: Mentally and physically disabled can't be left out either.

TAPE 15, SIDE A

025 ILLE: I was responsible for the two major reports the housing authority

issued within the last two years and I have submitted a summary, (EXHIBIT B).

ILLE: Reviews reports, see Exhibit B.

Homelessness has increased and the composition has changed; rural homelessness has increased also.

055 REP. JOHNSON: If a person, for one night, uses a shelter, then they are

part of the homeless population?

ILLE: That is the definition that we are using.

REP. JOHNSON: Do you have statistics on the average length of homelessness?

ILLE: No, there are so many variations.

090 ILLE: If we have a severe recession in this county, the numbers of homeless will triple.

095 CHAIR REPINE: How many homeless are out there doubling up; how big is this population?

ILLE: I wouldn't know.

GRUNDFOSSEN: Those of us who work in this field know that the problem is larger than ILLE's figures show; we know that there are people staying under bridges, in cars and with friends under trying circumstances.

4000 to 5000 people are homeless every night.

120 BIEBERLE: We define homelessness as anyone without a permanent housing situation; we would define someone living with a relative homeless, but we wouldn't count them because we don't know where they are.

125 REP. BELL: 29.6% of the homeless surveyed had been in Oregon less than one year; is that true of every state?

ILLE: Yes, if you did a random survey around the state many people will tell you they have lived there less than one year.

145 ILLE: There are national trends that link homelessness with affordable housing.

Goes over statistics of trends.

171 ILLE: Housing costs from 1987 - 1990 went up 25% and the consequence is

that there are poor households; 80% are paying over 50% of their income for housing.

The other side is income and the trends; between 1978 - 1985 poor households increased by 25%.

Median incomes stayed the same from 1973 to 1987; that means no growth in income and that is the first time since the war that income stagnated.

205 ILLE: The decline in incomes affected households headed by women and very young households; gives statistics.

We need to look at young households and those headed by women.

Between 1980 and 1987 real wages went down 9%, see Exhibit B.

The income of large numbers of households isn't adequate to cover the cost of housing and there aren't enough units affordable for poor households.

250 ILLE: Through the 1980's the budget authority of HUD decreased anywhere

from 77% to 82%; with all the changes going on the federal housing policy wasn't keeping pace with it.

{QUOTE} "Never before in post war American history have so many poor people competed for so few affordable dwelling units".

In order to resolve homelessness and prevent it, housing is essential.

Many homeless people have problems, we must integrate housing and services and then we need a comprehensive approach.

300 ILLE: We have a progression, but that doesn't mean that all homeless people need services along the way, some do.

In Portland we have a grant and are trying to skip the emergency housing and put these people in permanent housing, but we have to bring in services to support them.

As a state we should adopt this comprehensive approach to solving and preventing this problem.

330 ILLE: Refers to staff exhibit, (EXHIBIT C), we need to look at the role

of the state in creating homelessness.

The Private Industry Council in Portland is trying to provide better housing for people in training because people aren't making it through

their training without housing.

You should be aware of the 1990 federal housing bill that will require a plan from the state; it is an opportunity to look at state needs and plan for them.

385 REP. SHIBLEY: Unlike people who have stable family in their background these people don't have that.

ILLE: The main difference between me and a homeless person is that I have social supports, family and friends and homeless people don't.

440 REP. SHIBLEY: A study I read showed that 1/3 of the homeless people came from the foster care system.

Can you comment on the need you see for \$7 - \$10 an hour semi-skilled jobs?

ILLE: Even with those jobs people are living on the edge; your responsibility is to look around the state and target the lowest income rate, 60% and 80%.

TAPE 14 SIDE B

042 REP. BAUMAN: In ten years the cost of doing nothing will explode.

Just presenting us with the need and the cost of that is nice, but we don't have any money; could address the alternative cost of not addressing this?

I'd like to see what will happen in ten years from now.

ILLE: Take 4000 homeless youngsters in Portland and look at their future; we have an enormous problem with pregnant and parenting teens.

066 CHAIR REPINE: We do need to be able to demonstrate to our colleagues the cycle; how would you distribute the money the state does have for the delivery of services?

ILLE: The first thing is integrated planning between services and housing; the Department of Human Resources has a Housing Task Force and I would make sure that works and that we are trying to overcome divisions in that department and that we be serious about looking at families.

Efficient use of services; we can do better, even in this time we need to find money for housing.

125 REP. BAUMAN: In the CSD program they don't have the capacity to put a family into a home so they put kids in foster homes; can we track these children, the expenses and their outcomes?

Regarding Corrections - when someone is released from prison we give them approximately \$250.

Look at the rent figures, then we are surprised when they come back?

ILLE: We have lost 59% of our housing stock in downtown Portland and the rents are completely unaffordable.

150 REP. BAUMAN: I would like to know how much the housing allowance is for

Corrections and how many parole violators come back saying they couldn't make it?

Who lives in the so called "shooting galleries" in Portland?

What about mental health?

When we de-institutionalize, what are we really doing?

I'd like to see cost comparisons, then the alcohol and drug situation needs to be looked at.

ILLE: Last year Corrections asked for providers of alcohol and drug services; we had services, but no housing.

CHAIR REPINE: We are contemplating a housing policy and it is critical that we do this now before the budget is set.

210 REP. BAUMAN: Perhaps we should issue a budget note for the agencies to report back to the following legislative session as to where housing was prioritized within the budget.

BIEBERLE: No one has thought about what is going to happen with these cuts; mental health may be the worst of the whole bunch.

240 REP. MCTEAGUE: To what extent do you think the housing crisis has been caused by the loss of federal support over the last ten years and how much of a housing crisis would we have if the federal government had sustained it's commitment through the 1980's?

Second, I'd like some information on what the tax code changes were that impacted the development of low income housing.

GRUNDFOSSEN: If the federal government had continued it's funding it would have helped, but the economy has changed drastically in the past ten years and we have a large gap in income levels.

GRUNDFOSSEN: In Section 8 programs low income individuals go out and find their own housing and then they go to the housing authority and if accepted, the renter pays 30% of the rent and we pay the rest.

GRUNDFOSSEN: Reviews the types of housing they offer.

346 GRUNDFOSSEN: Submits (EXHIBIT D), a position paper titled "A housing policy and program for Oregon".

Refers to page two of Exhibit D with six steps to solving the problems.

We can't solve other social problems without housing.

GRUNDFOSSEN: Reviews six steps, see Exhibit D.

460 Continues summarizing testimony, see Exhibit D.

TAPE 15, SIDE B

050 GRUNDFOSSEN: Reviews number five, see Exhibit D.

The state must do more to integrate it's human services program and it's housing programs.

065 GRUNDFOSSEN: It is going to take money and ingenuity.

REP. BELL: There are three charges to us that I see:

1)to re-organize 2)to watch dog the budget 3)to encourage the good things that are happening that can't be paid for, but perhaps could be if we removed some road blocks.

100 REP. BAUMAN: Will staff pull the CSD bill for foster children and provide the committee with the projected hearing dates in Ways and Means.

On Corrections as well, a letter from the Housing Committee to Ways and Means informing them that RFP programs for alcohol and drugs that don't include any housing don't make any sense.

Also, if we could track the Mental Health hearings on de-institutionalization and be the housing "watch dog" on that.

120 REP. MCTEAGUE: We should have someone from CSD's foster care program come talk about the connection with homelessness.

REP. SHIBLEY: On Mr. Bieberle's testimony there are figures of the homeless and I see that showing that roughly 10% of the people being homeless being single women and that one in five are victims of domestic and/or sexual violence.

ILLE: When people are asked why they are homeless that is the answer given; you should be cautious when looking at the causes of homelessness.

Of the homeless families in Portland 57% are headed by women; providers will tell you that outside the domestic violence network, they are finding women who are involved in battering situations, but we don't have statistics.

165 REP. SHIBLEY: This report outlines a very specific plan to eradicate homelessness in Portland by 1991; what happened?

ILLE: The follow up report we did outlined a variety of things that needed to be done, including action at the state level.

We are putting together specific plans for homeless families, a plan for homeless youth and a plan for homeless singles, looking at emergency, transitional and permanent housing.

We are trying to construct a 30 unit facility that is adequate for families; we definitely won't have housing for everyone, but by the end of the year we will see some significant changes in Portland, with very limited resources.

REP. SHIBLEY: In Portland the folks dealing with homelessness expressed to me a concern that because their margins are so slim, the 10% to 15% cut in budgets translate to actually shutting down the shelters for two months.

ILLE: That is true, we have only so many units of alcohol and drug free housing; any cut in funds jeopardizes every program we have.

215 REP. SHIBLEY: There is no central source for keeping track of money, programs and services within our state, so that when there are federal grants available there is no funnel to keep track of the resources that we do have available.

REP. BAUMAN: A 15% cut in mental health is going to increase the need, so that the 15% cut in housing isn't just going to result in not serving 15% of the existing population, but will result in not being able to serve that 15% plus the additional from the mental health cuts.

Then we see the cuts in high school counseling centers and we know that there is a correlation with that and teenage pregnancy and I think we could make the list of illogicals go on and on.

BIEBERLE: When there is a 15% cut, you don't cut down 15% of shelter, there is a critical mass; a little bit might bring the whole thing down.

260 CHAIR REPINE: Calls a recess. (9:47 a.m.)

265 CHAIR REPINE: Calls the hearing back to order. (10:00 a.m.)

273 DEBRA WOOD, EXECUTIVE DIRECTOR, CENTRAL CITY CONCERN: Submits written testimony, (EXHIBIT E).

Prior to coming to Central City Concern, I did housing policy work for the State of Oregon for five and one half years.

The concepts that Central City Concern embody could be applied in large communities and small.

300 WOOD: Summarizes written testimony, see Exhibit E.

REP. MCTEAGUE AND REP. JOHNSON return from break. (10:07 a.m.)

385 REP. BAUMAN: What percentage is the housing cost and what percent is the support cost in the program budget?

WOOD: The cost per unit per month is \$185 and out of it \$130 of it is rent and the rest is for support staff.

It is important to note that even though our program has had national attention, none of our budget comes from the alcohol and drug programs.

REP. BAUMAN: Why doesn't your money come from the alcohol and drug programs?

WOOD: There is no budget line item in the state system for that housing.

438 REP. BAUMAN: Has Central City Concern ever asked for funding in writing

and received a response in writing?

WOOD: We have, they are aware of our program and we have made it clear that we would like to have state funding, but we haven't done that in writing.

REP. BAUMAN: Have you requested a line item?

WOOD: Yes; we have had that program since 1981, so I'm quite sure we have.

475 WOOD: We are one of Oregon's largest providers of alcohol and drug treatment services; we are the third largest in the United States to use acupuncture.

TAPE 16, SIDE A

032 WOOD: To integrate services of whatever kind, with housing, there needs

to be a interrelationship.

There is a partnership between the Portland Development Commission, the Housing Authority of Portland, the Chamber of Commerce and Central City Concern, with the goal of building housing units to end the cycle of homelessness.

There needs to be people in the community helping to put this together; if you are working with low income people, it takes financing.

090 WOOD: Continues summarizing written testimony.

REP. BAUMAN: How much money comes to CCC from tax increment financing?

WOOD: It is on a project by project basis.

I would like to say that I am pleased to see the State Community Services Office going into the Housing Agency.

Another bill that is important is the Lender Tax Credit; the way it has been interpreted by the state agencies administering that program makes it almost impossible to use in conjunction with federal low income housing tax credits.

I hope that you will take that program and make it workable and flexible, but as you do it, don't make it more complicated than necessary.

161 WOOD: There is a law that allows for local jurisdictions to provide tax

exemptions to non-profit housing that houses people of less than 50% of the median income.

That bill has a sunset date and since it has been working and has been an effective tool, so we could just eliminate the sunset date.

There is a great relationship between alcohol and drug issues and homelessness; we are hoping to see a modest increase in the beer and wine tax this session with the increase dedicated to treatment for those in alcohol and drug treatment programs.

185 REP. SUNSERI: Are there statistics for the increase in the senior citizen homeless population?

WOOD: In the homeless population there are few senior citizens; there is as much subsidized housing for seniors as there is for families.

In downtown Portland we deal with singles; we have subsidized housing that we have special waivers that allow us to deal with singles and people who don't fall under the federal definitions of handicapped or elderly, but a lot of the same issues apply.

238 ALAN KRAMER, STATE COMMUNITY SERVICES, DEPARTMENT OF HUMAN RESOURCES: Submits written testimony, (EXHIBIT F), regarding the history, function and current activities of State Community Services.

REP. JOHNSON excused. (10:30 a.m.)

Summarizes written testimony, see Exhibit F.

325 KRAMER: We are currently working with the housing agency on the low rental assistance program; we have had a partnership in the past with AFS providing emergency assistance and we administer other poverty programs that local non-profits can use to combat homelessness, such as OPIE, Oregon Partners in Energy.

We have Petroleum Violation Escrow funds (PVE) that we have used to do some housing rehabilitation and we receive 15% of the energy assistance grant for weatherization.

We are working as an office to impact homelessness and to prevent it.

365 KRAMER: We believe in local control; what works in one area may not in another.

The numbers of homeless children are large.

383 REP. BAUMAN: Do we know where these children are?

KRAMER: We do know where many are, there was a report put together by the Oregon Education Department, see Exhibit F.

Many children are moved from school to school and it makes it difficult for them.

415 REP. SHIBLEY: The cuts in nursing homes are turning out people; do you deal with that at all?

KRAMER: Many elderly in nursing homes have some sort of income, such as social security.

Approximately 38% of homeless people receive at least part of their monthly income from employment; approximately 5% of the homeless people in Oregon have college degrees and 22% have gone beyond high school.

464 KRAMER: There is a need to coordinate, especially with cuts.

REP. SHIBLEY: To deal with homeless children you have to take care of the women; what can the state do to address that problem?

TAPE 17, SIDE A

031 KRAMER: We need to call together service providers and make information

available to these people; many women receive funds from AFDC.

046 REP. SHIBLEY: What are we doing now; what can we do now?

KRAMER: The Department of Education has "project return" with it's emphasis being to get kids into school and stabilize them in one school; the local situation in terms of where the service providers are needs to be looked at.

As a state we aren't doing enough; these grants are shelter grants and the shelters need to take part.

REP. SHIBLEY: What type of kind of child care is provided?

KRAMER: We as a state don't provide funds for child care; if we can place people in jobs we need to get the private employers to assist.

095 JEAN DEMASTER, DIRECTOR, BURNSIDE PROJECTS, PORTLAND & THE OREGON SHELTER NETWORK: Unless you are in the shelter or on the street standing in the rain, it is hard to understand the devastation, desolation and fear that come along with being homeless.

In looking at homelessness, we need to recognize that it is similar to being a refugee.

People in shelters divide into groups, one group being those in the shelter because of a lack of housing and if we could create more housing or income for those individuals they would be self sufficient.

The problems of those individuals are very different than those of many other homeless people.

130 DEMASTER: To solve the problem of affordable housing we need to build more affordable housing; in stimulating housing we stimulate the construction market and that creates jobs.

I think we should target a number of those jobs to homeless people, otherwise they are looking at getting minimum wage jobs.

There are those with much deeper problems; for those individuals, the problems we are looking at is alcohol & drug abuse, mental illness, domestic violence or a failure in the education system to have people educated enough to get jobs in the workforce and for those people we need to coordinate housing with solving those problems.

Alcohol and drug abuse is clearly the largest contributor of homelessness.

The funding we get for out patient alcohol and drug treatment doesn't allow us to make any payment for these individuals housing because the assumption is that it is out patient treatment.

Many mentally ill individuals are in our shelters; Multnomah County receives funds for treating the mentally ill, but only about 1/3 of the mentally ill can get into the programs as there isn't enough funding.

185 DEMASTER: The victims of domestic violence; there aren't enough shelters for these people.

I think we need to look at ensuring that if you are homeless because of domestic violence you get treatment and counseling for being a victim of violence; both mothers and children need counseling or the cycle will repeat.

There is only one family treatment center in the state, where parents and children can stay together and get drug and alcohol treatment.

230 DEMASTER: When shelters close people stay on the streets, not often do they move from city to city.

Every city says that their homeless came from other cities; 1% to 3% of the United State's population is homeless and need to have adequate food and shelter and the ability to get out of homelessness.

270 DEMASTER: The problems we see with the homeless in Salem, Portland and Eugene are different than the problems that other areas of the state see.

I would ask that you allow us to create different strategies for different areas.

We recognize that women earn less than men, so it is no surprise that homeless women have less income than homeless men.

285 DEMASTER: The two things that homeless women talk about the most, after

housing, is a pool of child care funds and health care funds.

295 CHAIR REPINE: The committee will stand adjourned. (11:00 a.m.)

Submitted by, Reviewed by,

Kimberly Burt Janet McComb Committee Assistant Committee Administrator

EXHIBIT SUMMARY:

A - Informative material submitted by BIEBERLE, pp 13 B - Informative material submitted by ILLE, pp 11 C - Informative material submitted by STAFF, pp 20 D - Informative material submitted by GRUNDFOSSEN, pp 10 E - Written testimony submitted by WOOD, pp 9 F - Written testimony submitted by KRAMER, pp 1 G - Written testimony submitted for the record by WEBER, pp 7