



2011 STATE OF HOMELESSNESS IN GEORGIA AND CALL TO ACTION

**Katheryn Preston
Executive Director**

The economic crisis gripping our nation is creating severe financial strain throughout Georgia. As unemployment rises so do the foreclosure rates. Thousands of families and individuals are losing the places they call home. Georgia's homeless service providers report significant increases in requests for emergency housing and services. The once accessible resources available to meet the needs are declining as a result of state and local budget cuts and demand is far exceeding supply. The impact of the economy on foundations, corporations and individuals is equally devastating. While predictions in this rapidly changing environment are perilous, all indications are that things are getting worse. Homeless service providers are serving record numbers of people. According to the most recent Point-in-Time Studies, over 75,000 individuals experience homelessness in Georgia. More than 60% of homeless persons were in households with children and most were homeless for the first time. Homelessness is not just a metro problem. Across Georgia, homeless families and individuals are seen in all 159 counties and Georgia stands at a critical crossroads. The safety net in our state is now stretched to

the breaking point. We only have a fraction of the resources needed to meet the growing needs of homeless and at risk families and individuals in our state. Our most vulnerable citizens live just a paycheck or a crisis away from homelessness. Despite a historical drop in home prices, it is still impossible for many Georgians to qualify for this housing. There is no county in Georgia where someone working full-time at the minimum wage can afford an average one bedroom apartment. Home foreclosures have an impact on both homeowners and renters. Approximately 40% of households losing their homes to foreclosures are renters and include persons with Section 8 vouchers. The majority are low income families who lack access to resources for first and last months rent and the security deposit. These families have become Georgia's new homeless. Loss of work, under employment and unemployment are directly impacting homelessness. Georgia's unemployment rate is at a staggering 26 year high and economists predict a slow recovery. Homeless individuals report that labor jobs are scarcer than ever and strong competition for entry-level jobs put most persons existing in a state of homelessness at a severe disadvantage. As the need for shelter and housing increases, homeless service providers are experiencing significant budget cuts with loss of revenues. Foundations have less to give, tax credit investors are scaling back their investments in affordable housing, as their profits fall and bank financing for housing development is scarce. Individual giving is declining as donors worry about their own financial health. There was great hope that the Federal government would increase its efforts to address the needs of homeless families and individuals through the Homeless Prevention and Rapid Rehousing Program (HPRP) and other

stimulus programs. However, it may have been too little too late to have a positive impact on homelessness. The Georgia State Legislature is asking for additional budget cuts and these cuts will likely impact the health and human service needs of homeless families and those at risk of homelessness. We understand that the state's budget is strained as tax revenues fall. However, it is critical that Georgia also does its share to address the needs of those most in need - homeless families and individuals living at the poverty level. Cuts to service programs funded through the Department of Human Services will have a profound effect on the lives of Georgia's most needy persons. Cuts result in a direct loss of critical services for the most vulnerable citizens. Studies have documented savings of up to \$40,000 per person with every investment in supportive housing for chronically homeless individuals. Ultimately funding cuts will most assuredly end up costing millions in increased costs for hospitalizations, detox, emergency room visits, and jails.

Therefore, we issue the following call to action to the community and to our elected officials:

1. To the Community - We ask that you continue to support, or donate to local and statewide homeless service organizations. It's important that we all do what we can to address the rapid increases in need and fill the gaps caused by this crisis.

2. To the Governor and State Legislature - Do not cut essential human service programming, physical health, mental health and substance abuse treatment programs for the indigent. Georgia's

citizens with mental illness cannot afford further cuts to our already inadequately funded system without sending thousands more into a “state of homelessness”. We recognize that due to falling revenue, significant state budget cuts will be necessary. We say to the Governor and Legislature: Don't balance the state budget on the backs of our most vulnerable citizens, the homeless and at risk families and individuals. We need assurance that those persons impacted by cuts in human service programs do not suffer, we propose that the state create an “emergency services safety net” to cushion the impact of the cuts.

3. To our Federal Leaders - We ask for legislation that includes funding that repairs the “safety net” and creates “new” supportive housing to meet the growing needs of homeless families and individuals across our nation.

4. Finally, to our Neighbors - Now is the time to do whatever you can to help your neighbors who are struggling in this economy to ensure that they do not become tomorrow's homeless.

After all these years, we know what is needed to end homelessness - community involvement and participation in developing supportive housing, increased jobs, and access to needed physical health and mental health services. It's time we all step up to the plate. We need investments in programs that work and the political will to make it happen.