

Federal Sequestration Slows Down the Path Back to Housing

The March 1 move to sequester government spending did not mark a cliff in which the homeless of Cuyahoga County fell off, but it is another step closer to the day when the check from the Federal government to fund the Social Safety net will bounce. It is another step on the way to ending our commitment to providing shelter to everyone requesting help in Cuyahoga County. March 1 did not mean the end of the world for those seeking housing in Cuyahoga County, but it was another step closer to affordable housing out of reach for everyone but the lucky few who win the housing lottery. We view this Sequestration date as a similar build up to the Civil War in 1860 and 1861. The election of Abraham Lincoln in November 1860 is similar to the Fiscal Cliff deal struck in July 2011 that is the origin of the upcoming war between the deficit hawks and the entitlement doves. We are headed toward our own Fort Sumter confrontation over federal spending with the casualties homeless people, Head Start kids, hungry individuals, and people served by non-profits heavily dependent on federal dollars.

What we have in Cuyahoga County before Sequester:

- There were 9,000 waiting for a housing voucher locally. There were 15,000 waiting for a public housing unit in Cleveland, and both programs received huge cuts in 2012.
- The men's shelter has operated with an overflowing number of residents since August 2012. This means more people are showing up asking for a shelter bed than we have beds available. The family program faced an overflow situation from April 2012 to January 2013.
- In 2012, Cuyahoga County had increased demand for help while federal homeless dollars were stagnant.
- No shelter has seen an increase in federal dollars to their program since they first began receiving public support. Inflation has increased over the years, but shelters do not get a cost of living increase in their public support.
- We have built nearly 500 units of housing directed at homeless people over the last 10 years, but have lost hundreds of affordable housing units in the community.
- Since the downturn, more people have fallen into poverty locally (now 18.6% of the County population).
- There are more vacant houses, fewer jobs, and more people facing huge health or school related debt in our community.

Complicated issues coming as a result of Sequestration unless there is a resolution.

- Public Housing saw an 11% decline in the amount of money they were supposed to receive in March 2013. This means for now they are not moving anyone into housing and freezing their budget with a hope that this will be resolved by the end of the month. They need a fix on the huge cut they received as a result of the Continuing Resolution in 2012. If things are not resolved by May 2013, both the

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voucher and public housing programs will face some awful choices since they are near 100% occupancy.

- The unstable federal budget means that many housing programs are waiting to see what happens. Capital development projects are slowing down, program expansion is not happening, and housing programs are more reluctant to take new people into their units. This is causing the entry shelters to not have as many people leaving for permanent housing. The front door of the shelters are wide open accepting new people, but the door to permanent housing is barely open and fewer people are leaving the shelters.
- The Center for Budget Priorities and Policy Priorities estimated that Ohio would lose 4,685 housing choice vouchers over the next year which would mean that Cleveland would lose about 750 vouchers. CBPP estimated a \$12.9 million dollar cut to Ohio Public Housing Agencies if the Sequestration stands, which would translate to around \$2.5 million for CMHA.
- In Cleveland, EDEN Development Corporation acts as a public housing authority but is also a non-profit housing development corporation. EDEN runs the Shelter Plus Care Program and provides housing to mentally ill individuals, disabled and those who have been homeless for a long time. They have been told that they will receive a 6% cut in funding if the Sequestration stays in place, which would mean around 115 people will not be housed over the next year. This could mean not putting anyone else into housing or in the extreme an ending of some contracts. They still have not resolved how they will deal with the impact of Sequestration.
- If the cuts remain, the local shelters would face a decrease in \$1.35 million probably beginning in early 2014. Every shelter would probably have to eliminate a staff person from their payroll or reduce specialized meals for diabetics and fresh food from the menus. They may eliminate all help with transportation or even close the doors when the shelter beds are full instead of finding a place in the community to serve the population.
- The shelters funded by the City of Cleveland are funded with pre-Sequester money until June. If this is not resolved there would be across the board cuts starting in June with progressively harsher cuts culminating in early 2014 when the big cuts would hit.

What can you do?

National and State advocates believe that this will be resolved in the US Senate. So we are asking that you call your Senator from Ohio with the simple message: Sequestration means families in Cuyahoga remain homeless for a longer period of time costing the community millions. We need the Sequestration ended today! Call Senator Brown 202-224-2315 and Senator Rob Portman 202-224-3353 to register your concerns.