

# Chicago homeless crisis worsens with budget cuts, mass foreclosures

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Foreclosures, job losses and medical expenses have forced more of the city's working poor from their homes as the state of Illinois, in fiscal crisis, slashes social spending. Rising homelessness in Chicago and surrounding areas is buckling the network of emergency shelters, pantries and aid programs.

The Chicago Coalition for the Homeless (CCH) estimates that 21,000 people are on the streets on a given night. Of these, the *Chicago Tribune* reports that less than a quarter spend the night in a shelter. Nearly half the homeless population is under the age of 22.

The city shelters are notoriously overcrowded, and often dangerous. In a week's time, hundreds of people can be turned away for lack of beds in Chicago. The *Tribune* recently reported that "only 5 percent of the shelter beds were vacant in 2009, down from 12 percent in 2008."

Filthy conditions and violence in city shelters has many homeless, especially women, preferring to take their chances on the street rather than risk physical attack in shelters or robbery of what few possessions they have. Many seeking services approach emergency shelters only as a last resort; most come only after having doubled up with relatives or friends in overcrowded conditions before finally turning to the city's emergency service providers.

Conditions in church shelters, though few, are marginally better. Gene, who has been homeless for six weeks, told the *World Socialist Web Site* that he rode the city's elevated train for two weeks until a spot in a local church shelter became available.

A single man approaching middle age, Gene explained that he had been self-employed when the costs of a leg injury became burdensome, and he was evicted. Still under doctor's supervision, he said he'd been scrambling to find a place to go after his allotted 90 days at the church shelter are up, despite the fact that he will not yet be able to work.

Gene told the WSWS, "You have people looking at you like you're a loser, like you did this to yourself."

Like thousands of others who have become homeless during this recession, Gene said that at first he had no idea

how to navigate the network of services that might be available to him.

In February, the homelessness prevention hotline operated by the Chicago Alliance to End Homelessness received 59 percent more calls than in February 2008, many coming from families whose income is more than \$30,000 per year.

Since the 2010 Illinois state budget for homeless services has been reduced by \$12.7 million, next year is expected to be particularly bleak for the homeless, as well as those seeking homeless prevention services. Some state officials aim to use funds from the American Recovery and Reinvestment Act to plug budget holes, while slashing state budgets for homeless services, which will make the existing problems much worse once the federal dollars are spent.

Illinois trails only California in its budget deficit, and state agencies that provide social services are under enormous pressure to continue to operate, though they have not been paid by the state of Illinois since the 2010 fiscal year began in July, as reported on Chicago Public Radio. As of this month, one Southside shelter serving homeless youth and their children owes more than \$42,000 in rent.

Lack of affordable housing is a major driver of homelessness in Chicago and the surrounding area. The CCH states that in the first few days of the 2008 application period the Chicago Housing Authority received 500,000 applications for the 40,000 housing units available. In the spring of 2008, CCH also noted that in 117 municipalities in Illinois, less than 10 percent of the housing stock is considered to be affordable; 108 of these municipalities are in the Chicago region, mostly in the northern and western suburbs where there are more jobs available.

In 2007, Chicago Mayor Richard Daley pledged to eradicate homelessness by 2012 by broadening the Affordable Housing Ordinance to require developers to reserve at least 10 percent of most new housing developed for those making the area's median income of \$75,000. The proposal was broadly criticized as cosmetic.

The lack of affordable housing in the Chicago area reflects a nationwide problem. The National Low-Income Housing

coalition estimates that 1.7 million more housing units are needed to meet housing needs for low-income households. The same study reports that one-fifth of US jobs do not bring in wages to meet a family's basic needs. The result of decades of paltry wages and increasing housing costs is that one in seven households in the United States faces severe housing cost burdens as housing costs rapidly outpace wages.

## Homelessness in Chicago-area suburbs

Numbers of the sheltered and unsheltered homeless continue to climb in suburban areas. The Public Action to Deliver Shelter (PADS) network, active in the Chicago suburbs, has seen a 30 percent increase in need for shelter in the South suburbs of Cook County, and far more dramatic increases in the western counties of DuPage and McHenry.

The *Chicago Tribune* reported December 4 that the need for emergency shelter far outstrips the supply in the suburbs, despite the existence of a broad network of supporting congregations that provide shelter. The disparity has become so extreme that PADS shelters are now resorting to nightly lotteries for beds. Those who are not selected are given a bus ticket to the city and a list of shelters.

Mike Wasserberg, an executive director at PADS, told the *Tribune*, "We were way beyond what capacity would normally be considered.... You would like to be able to provide everybody with a pad to sleep on, but sometimes when the numbers get so high, it's just getting someone in out of the cold and being able to provide them three meals and give them a place to put their head down, even if it's on a table."

Young families are particularly vulnerable to homelessness. The CCH has identified a 45 percent increase of homeless students in suburban Chicago. An estimated 26,000 youth are homeless in the state of Illinois, 15,000 of whom are in Chicago. Lakeview Action Coalition notes that there are far too few shelters providing services to youth—212 shelter beds designated for homeless youth provided by the state and 119 beds in the city of Chicago.

For 2010, the Center on Budget and Policy Priorities estimates that homelessness is expected to grow based on rising unemployment and increased rental market competition due to foreclosures: "The number of people in 'deep poverty'—with incomes below *half* of the poverty line—will rise by an estimated 4.5-6.3 million if unemployment reaches 9 percent. This would represent an increase of about 900,000-1.1 million *families* with children

that fall into deep poverty and thus are at risk of housing instability and homelessness" (emphasis in the original).

The National Law Center on Homelessness and Poverty reported that lack of affordable housing has reached a crisis point, as demand for cheaper rents increases "due to a combination of factors, not the least of which are falling incomes, a reduced job market, the loss of rental homes due to foreclosure and more competition for the remaining rentals as previous homeowners are pushed into the rental market."

## Foreclosures affecting homelessness

A recent study carried out by several advocacy groups identified a substantial increase in homelessness nationwide due to foreclosures. According to the study, 19 percent of service providers interviewed reported that the homeless population they serve increased by 11 to 20 percent due to foreclosure, while 11 percent of providers reported an increase between 21 and 30 percent. The Southern and Midwestern regions of the country have been hit hardest, reporting a 15 percent increase in homelessness due to foreclosures. Illinois saw greater than 13,600 foreclosures this year, a 54 percent increase from 2008, according to RealtyTrac.

After foreclosure, staying in a shelter is the second most common living situation people find themselves in after turning to family and friends for help. Those doubling up with family or friends are not counted among the homeless by the city of Chicago or the federal government.



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