

# PHILADELPHIA BUSINESS JOURNAL

Friday, January 25, 2008

## HOME gives shelter as values rise

Philadelphia Business Journal - by [Bernard Dagenais](#)

Every time **Project HOME** tries to find a site for a homeless shelter, the group has to be ready for a fight. People come to community meetings with a "not-in-my-backyard" mentality. They worry about seeing more homeless people on the streets, as well as safety, and they are convinced their property values will decline.

Now the nonprofit group that exists with the goal of ending, or at least reducing, homelessness can say with certainty, that the final assumption hasn't proven true.

Project HOME, which stands for housing, opportunities, medical care and education, decided to hire an economics consulting firm to determine what happens to property values surrounding their facilities.

Kevin Gillen, who completed the study for the **Econsult Corp.**, found that property values were not initially affected after a facility is opened. Over time, however, houses in those neighborhoods increased 1.8 percent more per year than the citywide value increase of 5 percent. Over 15 years, that translated to an average \$31,000 in increased housing value for each homeowner.

Gillen can't say whether Project HOME helped increase home values -- only that the value increased. That's good enough for Sister Mary Scullion, executive director and president of the group.

"Property values can be improved in a positive way when people work together," Scullion said. "Ending homelessness can enhance the quality of life of everyone in our city."

Although city policies for dealing with homelessness have come and gone, and Project HOME has 15 facilities throughout the city, the number of people living on the streets appears to be on the rise. Last summer, there were 623 people identified as homeless on Center City streets, where the count is most reliable. That doesn't count the 1,000 or so who were in the city's homeless shelter beds. That street count is the highest number since 1997, when there were 824.

Although the reasons for the rise in homelessness are open to debate, the fact that 25 percent of the city's residents are considered below the federal poverty level, which is \$13,690 for a family of two, is likely a factor. That puts Philadelphia's poverty rate at twice the national average.

Ask property managers in Center City, and you're likely to find that homelessness is a major worry. It gets mixed up with separate issues, such as panhandling, which often isn't done by the homeless. Tourists at Independence Hall have on occasion witnessed a man who lives in a nearby alley urinating along 4th Street. It's not a pretty picture for foreigners who have come to see democracy up close.

The number of homeless beds available, it would appear, hasn't increased fast enough to meet the demand.

"The dilemma right now is that there aren't places for people to go that are appropriate and safe," Scullion said from within the headquarters offices at 1515 Fairmount Ave. -- itself a site that faced years-long opposition, including from the city, when it opened in the 1990s.

Scullion compares homelessness to the canary used in coalmines. Like a canary that dies because of toxic air, signaling a warning to miners, homelessness is a sign that there are societal problems. Education is the key to reducing homelessness over the long term, she said.

In the shorter term, however, the answer she's pushing for is more beds. Only a coordinated effort among city, state and federal governments -- along with private entities that provide 58 percent of her group's funding -- can make a difference, as she sees it.

It also wouldn't hurt to see less opposition next time her group proposes a new facility.

*Bernard Dagenais, editor of Philadelphia Business Journal, can be reached at [bdagenais@bizjournals.com](mailto:bdagenais@bizjournals.com).*