

THE MAKING OF HOMELESSNESS:

HOW US POLICY TURNED POVERTY INTO A PERMANENT CONDITION

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WRAP Member Organizations

Coalition on Homelessness
San Francisco, CA
www.cohsf.org

Housekeys Action Network Denver
Denver, CO
https://housekeysactionnetwork.com

Judi's Midnight Diner
Medford, OR
www.judismidnightdiner.org

Human Right to Housing Collective
Seattle, WA
https://www.hrhcwa.org

Los Angeles Community Action Network
Los Angeles, CA
www.cangress.org

Street Spirit
Berkley, CA
www.thestreetspirit.org

Love and Justice in the Streets
Oakland, CA
www.loveandjusticeinthestreets.com

Unhoused Neighbors Union Missoula
Missoula, MT
https://linktr.ee/unhousedneighborsunion

HOUSES NOT HANDCUFFS
WWW.WRAPHOME.ORG

Overview

- This research tracks the impacts of previous federal policy and funding decisions creating and exploding homelessness in America.
  - Reagan Revolution (HUD & USDA cuts), Welfare Reform (SSI, AFDC & Food Stamps cuts), & HOPE VI (over 500k public housing units gone)

- From these past policy and funding decisions, we see what the full impacts of the Big Fascist Bill will be in our communities and plan our actions accordingly.



1980s - Federal Disinvestment & the Roots of Homelessness

- The 1980s can be characterized by Reaganomics (referring to the economic policies under Pres. Ronald Reagan) which pushed for a free market & small government ideology, trickle down policies and a narrative of "personal choice" when it came to poverty & homelessness.

- Reagan administration accelerated a pattern of commodifying affordable housing and government assistance embedded as neoliberal policies into federal policy.

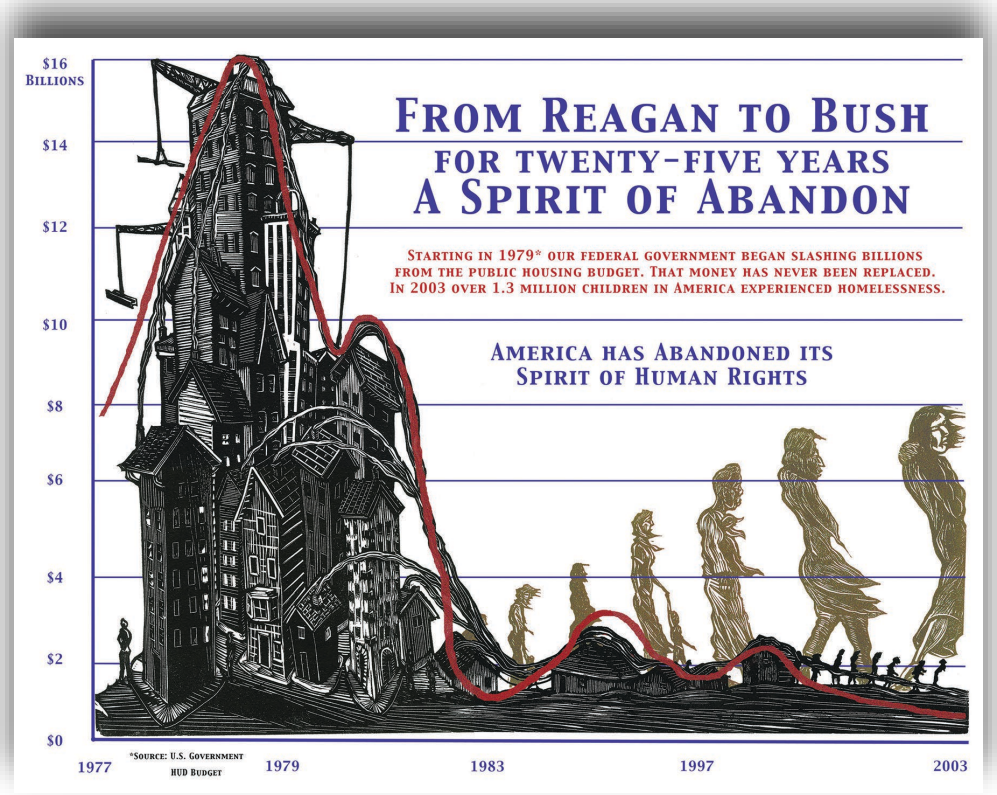


Chart from 2006 WHO Report, artwork by Art Hazelwood

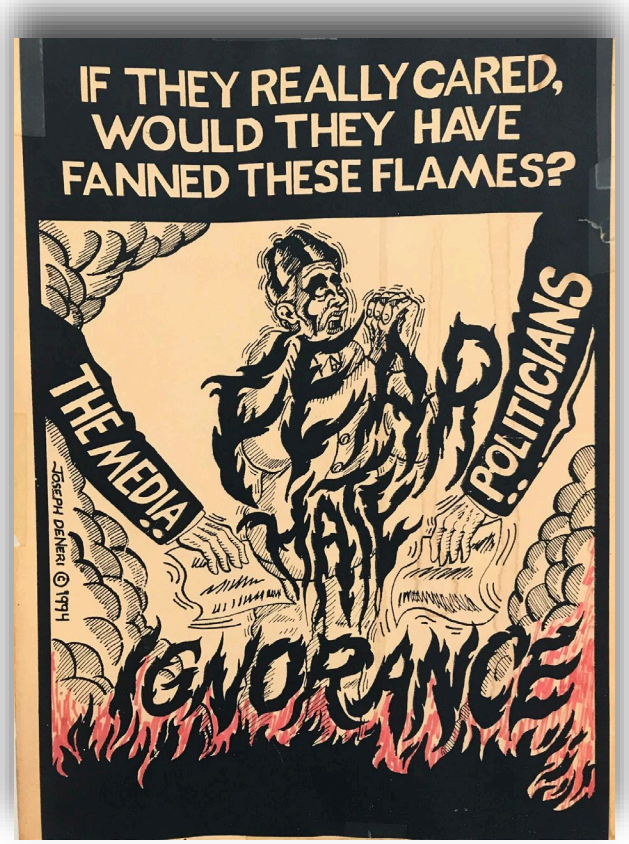
Understanding Pre-Reagan & Initial Economic Landscape

- As Reagan came in, we were in a recession so Carter's response was to cut all federal programs by 10% whereas when Reagan came in, he targeted housing and social programs
- Prior to 1980s
  - 1965-81, improvements in living standards for low income people was driven by government assistant programs rather than market conditions
  - Demand for affordable units by 1980s far outweighed supply as production was drastically cut
- 1981-1982 recession hit people hard, but Black and Hispanic poverty rates were 2x higher than white counterparts



Transforming How Homelessness is Understood

- Change from a structural housing issue >> short term management crisis
- "Personal Choice" and "Bootstraps" rhetoric shifted attention away from understanding homelessness as a systemic issue to an individual one
- Racialized and Gendered stereotypes would fuel this rhetoric and develop this narrative
- Reagan urged local communities (churches and local groups) to "take ten families each"



Policies Under Reagan

- Building national defense was a top priority as was cutting government spending domestically
  - Low income programs made up less than a tenth of overall federal expenditures but accounted for nearly ⅓ of budget cuts
- Omnibus Budget & Reconciliation Act of 1981 (OBRA)
  - Tightened eligibility standards
    - Aid to Families with Dependent Children (AFDC)
    - Social Security Disability Insurance (SSDI)
    - Supplemental Security Income (SSI)
    - Food Stamps
    - Unemployment Insurance
  - By late 1985, 75% of unemployed people were not receiving any form of unemployment insurance



Policies Under Reagan

- 1985 Gramm- Rudman - Hollings Deficit Reduction Act
  - Halted construction on 265,000 pending housing units
  - Affordable housing units dropped by over 99% compared to 1979 357,600k units to 2,360
  - Key factor in the 60% budget reduction for the U.S Dept on Housing & Urban Development (HUD)
- Disaster framework and "stop-gap" measures
  - 1983 Emergency Food & Shelter Program (EFSP)
    - First federal funding source came from Federal Emergency Management Agency (FEMA)
  - Money distributed to states had a number of restrictions like not being able to use the funds for shelter repair or to buy new appliances
- 1987 Stewart B. McKinney Act (McKinney Vento Act)
  - Grants primarily for services and operating costs >> moved people through shelters NOT out of homelessness



Key Takeaways From the 1980s

- Reagan's ushering in of neoliberal policies concretized America functioning as a private enterprise for the exclusive profit of the ruling class.
- Rhetoric around "personal choice" and "dependency" was a political tactic to justify the incredible defunding of social programs.
- The lack of sustaining and developing affordable housing units meant that as the population continued to face more economic hardship while eligibility requirements widened, homelessness continued to grow.



1990s - Welfare "Reform," Continued Cuts, Punitive Policies

- The 1990s were defined by welfare reform notably continuing and building on Reagan's legacy: defunding/reductions in social programs and the commodification of aid.
- This era continued the shift from federal responsibility to the state and local governments.
- During this period, we see both the increase and the legislative establishment of criminalization against poor people.



Personal Responsibility & Work Opportunity Reconciliation Act (PRWORA) Changes Welfare Forever

- PRWORA introduced in 1996, same year as the Welfare and Medicaid Reform Act & an accompanying report
  - "..little doubt the current welfare system is a failure."
- Redefined causes of poverty to "personal responsibility"
  - Clinton ran on the campaign promise to "end welfare as we know it" and emphasized that the poor should pursue "self reliance."
- Ended AFDC and implemented Temporary Assistance to Needy Families (TANF) block grants
  - AFDC was created in 1935 & was originally designed to help mothers without a source of income to stay at home with their children
  - Explicitly ended the federal guarantee of individual entitlement to aid
  - TANF block grants were a fixed dollar amount allocated to states but did not adjust for inflation meaning value decreased over time & was not helpful in times of a recession





Personal Responsibility & Work Opportunity Reconciliation Act (PRWORA) Changes Welfare Forever

- Reductions in social programs
  - States set TANF benefit levels far BELOW poverty line (~30% below)
  - Caused most severe cuts to food stamps to date - $27.7B
    - Families absorbed ⅔ of the cuts >> average loss of $435 annually
- Shifts in eligibility
  - Required redetermination of eligibility of current recipients & tightened criteria for disabled children >> 300k low income children losing benefits by 2002
  - Food stamps - Non-disabled adult aged 18-50 who aren't caring for children or working part time, benefits limited to three months in their lifetime
  - Immigrants became an explicit exclusionary class
    - Many states opted out of providing benefits to immigrants who entered the country on or after August 22, 1996
    - 40% of PRWORA's net savings came from denying legal immigrants



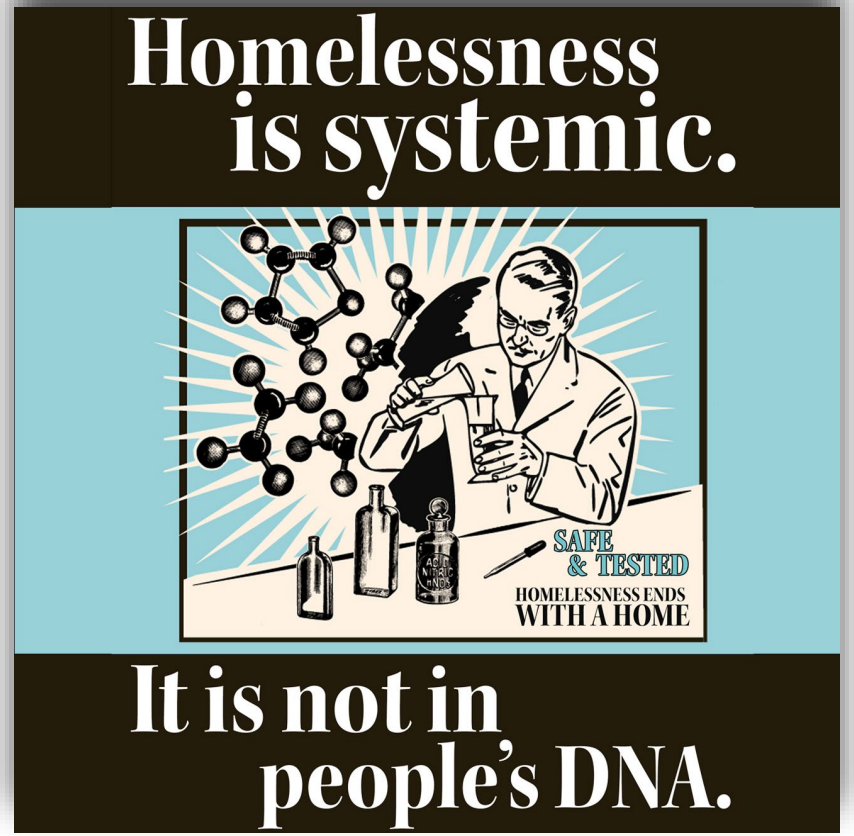
Punitive Measures Further Widens the Housing Gap

- "One Strike" and "You're Out" rule
  - Established legal basis for evicting tenants of public housing using illegal drugs or engaging in criminal activities on or off the property
  - Later included the mere suspicion and the association to be enough basis for eviction
  - Resulted in entire households being evicted
- *Note that there is no data collection on individuals evicted due to the "One Strike" policy.*
- Congress incentivized Public Housing Authorities (PHA) to cooperate by tying the policy to funding
  - PHA's denied occupancy to applicants with any drug related eviction from public housing within 3 years
  - Six months after One Strike, PHA's denied 19,405 applicants-200% increase from previous 6 months



Key Takeaways From the 1990s

- Welfare reform in the 90's eroded the social security net people relied on for food, housing, or general assistance. Families, disabled communities and immigrants were hit particularly hard where they were forced into time limits and sanctions when accessing aid further pushing them into hardship and poverty.
- Criminalization during this period in the form of the "One Strike" policy, resulted in mass evictions and thousands of denied applicants for public housing.
- Homelessness grew because poor people faced harder economic conditions: gentrification, increased rent, reduced supply of affordable housing.
- This demand; however, would not be met as homelessness would continue to increase.



HOPE VI & Public Housing: Destruction & Disinvestment

- HOPE VI was a federally funded program from 1992-2010 intended to renovate "distressed" public housing units into mixed income re-development sites.
- The initiative, which evolved over time, was an assertion of neoliberalism dominating the public housing landscape by shifting towards "public-private partnerships."



We Say Fight Back

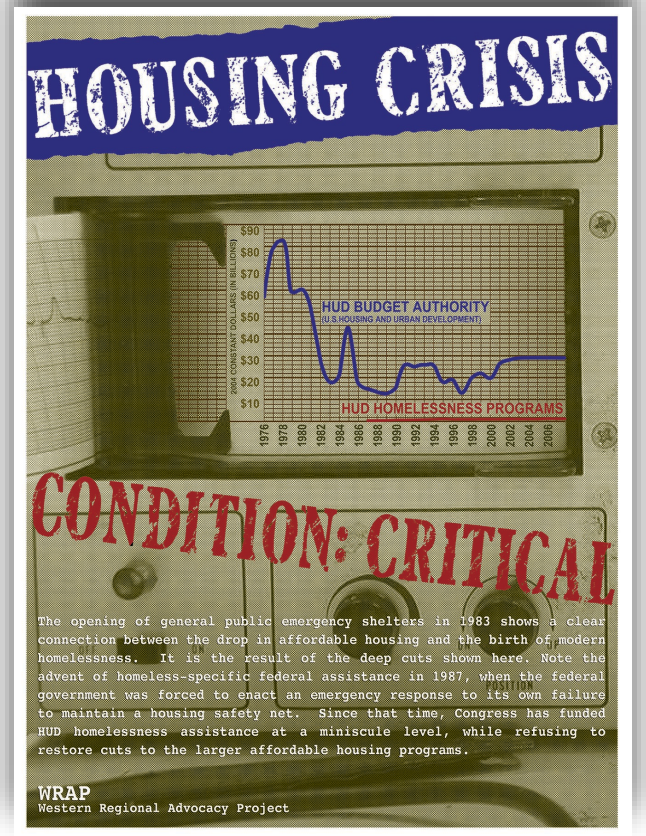
Devastation Hidden Behind a Guise of Compassion

- Revitalizing sites was primarily driven by private investor interest
  - PHA's had to submit specific development plans on how a proposal would support federal policy goals like eliminating poverty in the neighborhood >> came in the form of simply excluding poor communities
  - **Point about destruction of public housing**
- Demolition-driven revitalization
  - From the mid-1990s through 2021 over 498k total public units were destroyed
- Rise of mixed income policies
  - Theoretical belief that if had a unit with tenants of varying income it would be beneficial
    - Provide residents with "role models"
    - Create revenue for PHA's
    - Combat the "culture of poverty"
  - Actual result of developments
    - ⅔ of existing public housing units were unaffordable to poor people
    - Lower income tenants were displaced to other neighborhoods or many ended up homeless



Devastation Hidden Behind a Guise of Compassion

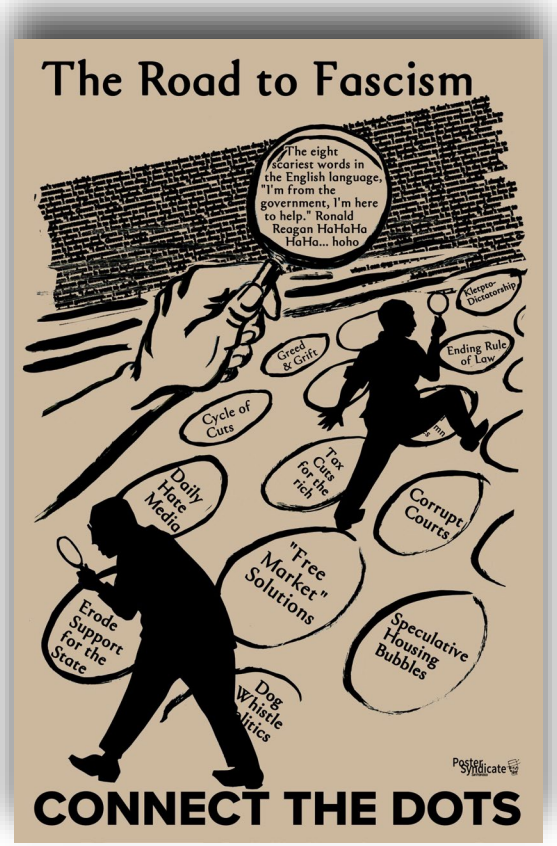
- HUD weaponized housing vouchers as a means of absolving themselves of responsibility to ensure people have opportunity for housing. Giving people a voucher and sending them out into the open market to compete with higher income applicants for units, with 4 to 6 months to find a landlord was a guarantee for failure.
- With the increase of rent, eligibility requirements and the issuing of housing vouchers; utilizing them for housing became more difficult.
- Throughout HOPE VI, data collection on its impact on tenants was manipulated or they stopped collecting it. This intentionally skewed the data and HOPE VI's validity as a positive program.
- HOPE VI never went away but instead has since become “standard operating procedure” in HUD programs.



Key Takeaways From HOPE VI

- The HOPE VI legacy is destruction disguised as compassion permanently eliminating affordable units and displacing tens of thousands of families.

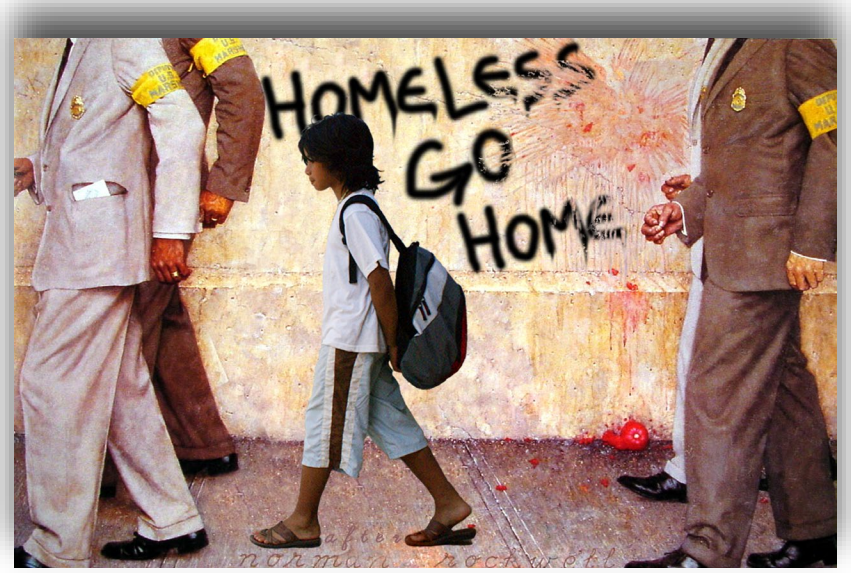
- HOPE VI brought in “mixed income” policies to public housing, displacing many residents to generate income from higher rent units while simultaneously eliminating the documentation of actions & impacts of HUD programs and policies.



The 2000s- False Hope for a New Era of Homeless Policy

- Building off of eras defined by defunding social programs and decentralization, the 2000s followed in the same footsteps by implementing band-aid, performative, and punitive programs to simply reduce the visibility of homelessness.

- Economic hardship became increasingly easier to fall deeper into as housing costs reached new levels amidst underemployment and widespread poverty.



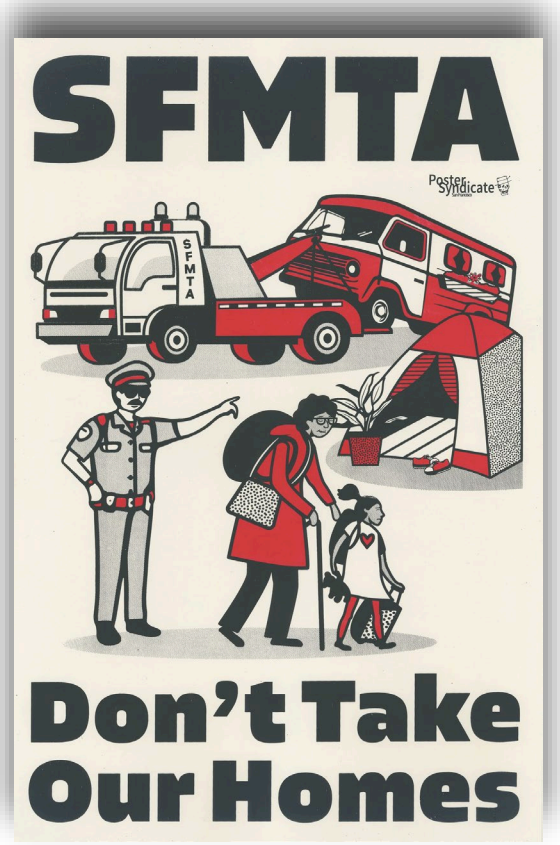
Short Term Solutions for Short Term gains

- The federal government gave billions of dollars in bailouts to banks and corporate interests to fix the problems these industries' greed created regarding housing.
  - Banking deregulation set the backdrop for an erratic housing market resulting in the 2007 housing market crash which impacted low income, Black and Brown communities the hardest.
- Making Home Affordable (MHA) program
  - Trouble Asset Relief Program (TARP) allocated $429B to banking and related financial markets whereas $46B was allocated to foreclosure relief under MHA
  - **The banking sector received 5x more aid than homeowners received in foreclosure relief.**
  - Established the Home Affordability Modification Program (HAMP) & the Home Affordance Refinance Program (HARP)
    - HAMP- supposed to help borrowers who were past due or in default to their mortgages >> more people removed from program than receiving relief
    - HARP- intended to help borrowers who needed to refinance underwater mortgages for lower interest rents >> high fees, limits of past late payments, strict rules



Short Term Solutions for Short Term gains

- Homeless Emergency Assistance & Rapid Transition to Housing (HEARTH)
  - Expanded on McKinney Vento Act of 1987
  - Consolidated Supportive Housing, Shelter Plus Care, & Single Room Occupancy into a single continuum of care program
    - Grants were competitive and applicants must meet a long criteria list making local governments compete for them instead on instating a federal initiative
- Point in Time (PIT) headcounts
  - PIT headcounts attempted to count unhoused people living on the streets; however, the count is conducted on one single night in late January.
  - Rife with inaccuracies because it does not count a number of groups
    - Doubling up
    - People in hospitals, rehabilitation facilities, or incarcerated
    - Vehicular residences
  - Funding distribution determined by "need" gathered by PIT headcounts



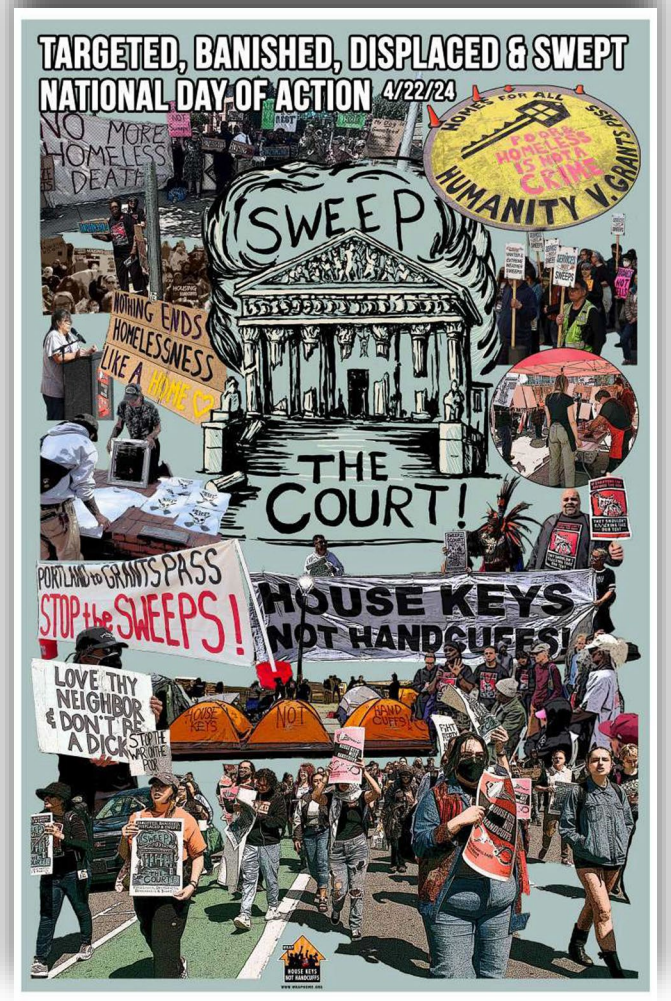
Key Takeaways from the 2000s

- Across more than 4 decades of government policy and practice towards austerity and neoliberalism with “free market” solutions to public policy issues, corporate and wealthy tax breaks, increased militarization and oppressive policing homelessness poverty and oppression are imploding across the country.

- True community groups and organizations are faced with the new reality we are living in and need to figure out what we are going to do to support each other and build stronger and more universal alliances, messaging, and campaigns. We need to do this, 1) to survive and 2) to fight the incredible amount of truly dictatorial shit happening to all sorts of communities right now



Organize Around People



- Build alliances across race, nationality, class, gender, & religion.
- Connect organizing for housing to education, health care, dignified work, immigrant rights, people's right to self-determination, & economic security.
- Engage in acts of solidarity that is rooted in our shared humanity.

Get connected with the Western Regional Advocacy Project!

We are ALWAYS looking for volunteers!
wrap@wraphome.org
www.wraphome.org
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