

CLIFF NOTES

These cliff notes can be used to review the report before trainings and public speaking.

The report follows a simple progression: historical context (timeline), political and economic factors (chapter 1), cutbacks in affordable housing funding (chapter 2), band-aid solutions (chapter 3), federal funding priorities (chapter 4), and what can be done (conclusion).

Key points are underlined.

A Very Abridged History Of Mass Homelessness

By highlighting two different eras of social policy (New Deal versus Neoliberal), we can show how government priorities impact homelessness.

1920s

- Stock market crash, bank failures, and foreclosures cause Great Depression.
- The housing industry collapses.

1930s

- 25% of Americans are unemployed and millions become homeless.
- President Roosevelt launches New Deal programs for jobs, Social Security, housing finance reform, and affordable housing production.
- The Housing Act of 1937 establishes public housing program.



1940s

- GI Bill provides mortgage assistance and education opportunities for veterans: the middle class grows.
- Homeowners get largest housing subsidies.
- Housing Act of 1949 initiates urban renewal.
- USDA launches Section 515 to build low-income rural housing.

1950s

- Powerful housing industry trade associations attack New Deal programs like public housing.
- President Eisenhower appoints leaders of trade associations to housing committee.
- The Housing Act of 1954 signals move toward business-oriented housing policies.
- Urban renewal destroys affordable housing stock.


1960s

- Housing Act of 1964 increases production of new public housing units.
- President Johnson creates HUD.
- Sections 235 and 236 of the Housing and Urban Development Act give incentives to the private sector to produce affordable rental units through interest rate subsidies.
- Fair Housing Act of 1968 prohibits housing discrimination based on race, color, religion, sex, and national origin.

1970s

- State mental hospitals close, many end up homeless or in jail.



- 
- Need for affordable housing outpaces supply and worsens every year.
 - President Nixon places moratorium on subsidized affordable housing production.
 - Section 8 (subsidizing rent on the private market) becomes HUD's biggest assistance program.

1980s

- President Ronald Reagan dismantles New Deal and Great Society programs.
- HUD's affordable housing budget is cut by 77% from 1978 to 1983.
- Emergency shelters open nationwide.
- Police begin enforcing anti-homeless ordinances that target panhandling, sleeping outside, and loitering.
- Rural homelessness is a growing problem.
- Congress passes McKinney Homeless Assistance Act of 1987.


1990s

- Congress cuts Public Housing Capital Fund and lifts one-for-one replacement for units lost to disposition or demolition.
- President Clinton signs "welfare reform" bill — poverty and inequality grow.
- Quality Housing and Work Responsibility Act of 1998 further limits housing assistance and deregulates housing finance.

2000s

- Housing First initiative lacks funding to meet need.
- The Great Recession sweeps across U.S.
- 3.4 million families experience foreclosures.



- 
- Tent cities go up across the country.
 - As many as 3.5 million people are homeless — families and children are fastest growing population.

2010s

- HUD initiates Transforming Rental Assistance to “streamline” its programs and open up public housing to private investors.
- Federal budget cuts threaten to shrink HUD and USDA rural housing assistance by another 20%.



Executive Summary

- Homelessness is the most brutal and severe face of poverty.
- Homelessness stems from systemic causes that play out via individual circumstances.
- Three decades of federal divestment in affordable housing programs is the #1 cause of homelessness.
- Homeless policy is research heavy and lacks appropriate funding and implementation.
- Public policy debates and media representations often minimize systemic causes of homelessness and demonize homeless people.
- Federal affordable housing programs are under attack by market and political forces, e.g. HUD's Transforming Rental Assistance Initiative.
- New Deal and Great Society programs assured a safety net in the U.S.; Reagan dismantled this safety net in the 1980s.
- Homelessness will only end if we work from a social justice framework, build a mass movement, and ensure policy and financial support from all levels of government.



Introduction

- The answer to homelessness is deceptively simple: a policy of universal affordable housing. The federal government pursues the exact opposite policy.
- The primary cause of homelessness is getting lost as categories are created to discuss the “new” homeless, the “regular” homeless, the “chronic” homeless, etc.
- Affordable housing is a national problem for four reasons: 1) urban renewal and gentrification destroyed affordable housing stock; 2) housing markets shifted toward higher end production (lofts, condos, fancy shopping districts, gated communities); 3) public production of new affordable housing units was decimated in the early 1980s; and 4) affordable housing subsidies like Section 8 were also cut.
- Deinstitutionalization, recession, outsourcing of jobs, stagnant wages, higher cost of living, cuts in the social safety net, rise in corporate power, policy shifts that benefit wealthy, and expansion of military spending created the perfect storm for homelessness.
- Reinvigorating the federal government’s commitment to affordable housing is the most straightforward way to resolve homelessness.



Chapter 1:

An Overview of the Origins of Contemporary Mass Homelessness and the Failures of Federal Policy


The Reality of Contemporary Mass Homelessness

- In 2008, there were 39.8 million people living in poverty in the U.S. In 2010 that number rose to 46.2 million people, or 15.3% of the total U.S. population.
- Approaches to addressing extreme poverty differed significantly in relatively recent history.
- During The Great Depression, the New Deal funded job programs, Social Security, and affordable housing production.
- During the 1960s, Great Society programs (i.e. War on Poverty) funded youth, education, health, housing, economic opportunity, and transportation programs.
- In the 1980s, the Reagan administration launched a dramatic assault on New Deal and Great Society programs.
- These cuts happened when the cumulative effects of deindustrialization, global outsourcing of jobs, decreasing real wages, urban renewal, and gentrification were driving down income and driving up costs.
- The above factors left millions of people without economic security, unable to afford housing, and eventually out on the streets.
- During the 1980s, homelessness tripled or quadrupled in many United States cities.

Quick Fix Responses, Long Term Issue

- Government officials viewed the widespread emergence of homelessness in the 1980s as a temporary problem.



- 
- Federal Emergency Management Assistance (FEMA) set up temporary emergency shelters.
 - The Federal Interagency Task Force on Food and Shelter for the Homeless helped localities obtain surplus blankets, cots, and clothing.
 - The McKinney Homeless Assistance Act of 1987 funded “supportive housing” initiatives that combine housing with residential health care.
 - These efforts failed to address the underlying problem of insufficient affordable housing funding.


“Paradigm Shift”

- From 2001 to 2008, the George W. Bush administration claimed a paradigm shift from managing homelessness to ending it.
- The initiative’s main accomplishment is the development of 355 ten-year plans to end homelessness covering 860 cities.
- Ten-year plans generally ignore the reality of families that are doubled-up or living in hotels, unaccompanied youth, working poor people who cannot afford rent for the full month, and seniors who lose their housing due to gentrification.

Housing First and the “Chronic Homeless” Initiative

- The federal government’s current policy priority is Housing First, a model similar to “supportive housing.”
- It first gets “chronically” homeless people – defined as single adults or heads of households with histories of mental illness, substance abuse, and homelessness – into housing and then provides supportive services as needed.
- The program is funded from a small pool of HUD homeless assistance dollars rather than housing dollars, which means it meets only a small fraction of need.



- 
- When Housing First and “supportive housing” are the *only* types of housing being discussed, it reinforces the stereotype that “regular” housing is not what the majority of homeless people need.



Chapter 2:

The Epicenter of Mass Homelessness: Cutbacks in Federal Funding of Affordable Housing Production

The Dismantling of Federal Affordable Housing Programs

- The Reagan administration’s policy decision to defund the production and subsidization of affordable housing is the primary cause of contemporary mass homelessness.
- Section 8, public housing, and Section 515 (rural housing) were all drastically cut.

Urban Renewal, Deindustrialization and the Affordable Housing Crisis

- Urban renewal began under the Housing Act of 1949.
- It worked as a mechanism of racial and class exclusion through gentrification and displacement.
- It destroyed vast amounts of affordable housing stock.

Public Housing and the HOPE VI Program

- HOPE VI was launched in the 1990s to redevelop and revitalize “severely distressed” public housing.
- In most communities, HOPE VI resulted in the forced displacement of tens of thousands of families and the loss of large amounts of guaranteed affordable housing.
- At the same time, HUD implemented zero-tolerance measures like “one strike” to crack down on tenants deemed “unworthy” of assistance.



- In many cases, suspicion of “criminal activity” by one family member was grounds for eviction of a whole family.
- These punitive tactics were part of Clinton’s “welfare reform.”

Privatizing of Public Housing

- In 2010, HUD unveiled the Transforming Rental Assistance Initiative.
- After starving public housing’s capital and operating funds and lifting one-for-one replacement of units lost to demolition or disposition, HUD now says public housing is at a “tipping point.”
- Over 210,000 public housing units have been lost in the last 16 years.
- Public housing has an estimated \$20-30 billion in maintenance backlogs.
- HUD wants to leverage private capital to “modernize” public housing by mortgaging off 280,000 units as collateral.
- Under TRA, units could be lost to expired contracts, foreclosure, or bankruptcy, and tenants’ rights could be endangered.
- HUD proposes to use Low Income Housing Tax Credits to attract private capital, but this financing mechanism does not have a good track record for delivering affordable housing to those with the lowest incomes.

Low Income Housing Tax Credits

- Since 1986, most affordable housing development and preservation activities have been supported through the Low Income Housing Tax Credit Program (LIHTC).
- Created by the Tax Reform Act of 1986, the LIHTC program provides tax credits to developers to build low-income rental units.
- It has put almost 2 million affordable housing units into service since 1987.



- Unfortunately, LIHTC units charge up to 60% of Area Medium Income, making it very difficult for the lowest income families to afford without another subsidy like Section 8.
- Because LIHTC is tied to the private housing market, investors don't need them when the economy is bad to write off taxes.
- Tax credits without buyers mean the predominant tool for developing affordable housing is rendered useless.
- The LIHTC program will not reduce homelessness without restoring funding to other federal housing programs that address shortcomings in the market.


The Human Impacts of Federal Cuts

- The lack of affordable housing in the United States has severe human consequences.
- Women and youth who flee from abusive partners or family members often find themselves out on the street.
- Seniors and people with disabilities can be found in shelters and under bridges.
- Low-wage workers often don't make enough money to afford housing and end up homeless.
- Undocumented immigrants' lack of rights and low wages leads to homelessness.

Bureaucratic Sleight of Hand to Make Mass Homelessness Disappear

- Rather than acknowledge that the root of the problem is lack of affordable housing, the federal government develops byzantine formulas to count the number of homeless people and to determine whether someone "qualifies" for homeless housing and services.
- This has led to such bizarre counting methods as "Point In Time" head counts, which are held every 2 years during the last week of January.



- 
- Local volunteers are asked to count the heads of people they see sleeping outside. These numbers are added to the sheltered population and this becomes the official homeless count.
 - This process results in a gross undercounting.
 - HUD's arbitrary and narrow definition of homelessness leaves many people needing assistance without housing.
 - It doesn't include children, youth, and their families living in hotel/motel and "doubled-up" situations.
 - We should cut through all the bureaucratic classifications and use the definition of "homeless" from the Merriam-Webster Dictionary: "having no home or permanent place of residence."

The Impact on Families and Children

- Families with children are the fastest growing group of the homeless population.
- Homeless parents are often separated from their children and labeled as unfit by government agencies even if they're good parents looking for work and housing.
- Children and youth who lack a fixed and adequate home have difficulties with school enrollment, attendance, and success.
- At least 955,000 homeless children are enrolled in public schools.



Chapter 3:

Band-aids and Illusions: The Consistent Failure of Nearly Thirty Years of Homeless Policy

The First Responses, Emergency Services and Shelters

- As homelessness surged in the early 1980s, organized groups of homeless people and their allies used legislative, judicial, and direct action to demand a federal response.
- The response was minor and provided only temporary solutions to a massive and long-term national problem.
- Rather than addressing the systemic need for truly affordable housing, the federal government locked itself into a vicious cycle of homeless policy.

The Stewart B. McKinney Act of 1987

- Congress passed the Stewart B. McKinney Homeless Assistance Act of 1987, the first major federal legislation devoted solely to addressing homelessness.
- Rather than restoring cuts to affordable housing, the legislation created a tiny funding stream that further institutionalizes the shelter system.
- More importantly, federal funding of HUD's affordable housing programs continued to be cut.
- During the Clinton Administration, HUD developed the Continuum of Care model because they believed homeless people needed to get a range of supportive services before being offered permanent housing.
- Under President George W. Bush, HUD homeless assistance funding targeted "chronically" homeless single adults.



- The chronic homeless initiative took attention away from families and children to focus on policies that would get people out of downtown areas.
- These programs curtailed homelessness for a small percentage of people in need of housing coupled with supportive services, but homelessness significantly increased amongst children, youth, and families.


The National Housing Trust Fund of 2008

- President George W. Bush signed the National Housing Trust Fund (NHTF) into law as part of the Housing and Economic Recovery Act of 2008 after a decade of advocacy.
- The goal of NHTF is to build, rehabilitate, or preserve 1.5 million units of affordable housing over the next 10 years.
- 75% of the rental housing assistance must serve people with extremely low incomes.
- NHTF was supposed to be funded by taking a percentage of new mortgage business done by Fannie Mae and Freddie Mac.
- The NHTF hasn't been funded yet.

The Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009

- Congress reauthorized McKinney-Vento homeless assistance as the Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009 (HEARTH).
- HEARTH governs and funds federal, state, and local prevention, emergency shelter, transitional housing, permanent housing, and supportive services.
- Instead of replenishing federal affordable housing programs, HEARTH continues to require local communities to implement Housing First with a small pool of homeless assistance dollars.



- 
- One bright spot of HEARTH is that it allows communities applying for funding to prioritize the needs of rural homeless families with a broader range of services, including rental subsidies.

The Foreclosure Crisis and Homelessness

- Roughly 3.4 million families experienced foreclosure in 2009 and almost 60% of mortgage defaults were caused by unemployment.
- African Americans and Latinos have disproportionately suffered the brunt of the recession's unemployment and home equity loss.
- Many people who lost their homes or apartments to foreclosure are now living with friends, family, in SROs, or are homeless.
- Families with children have been hit especially hard.
- In February 2009, Congress included \$1.5 billion in the “stimulus package” for the Homelessness Prevention and Rapid Re-Housing Program.
- The program provided temporary rental assistance for people in danger of losing their housing and rapid re-housing for people who recently became homeless.
- The grantee must be able to demonstrate they can sustain housing after the benefits cease — a very high standard for someone in crisis.
- The Helping Families Save Their Homes Act of 2009 also contained provisions for homelessness caused by foreclosures.
- Title VII of the bill ensured that tenants are given 90 days to look for alternative housing rather than 3 days.
- While the “stimulus package” provided funding to curb more homelessness due to the recession, millions of people will remain vulnerable to volatile, unaffordable housing and rental markets until affordable housing funding is restored to comparable 1978 levels.



The Criminalization of Homelessness

- Since the 1980s, there has been a dramatic rise in anti-homeless laws and enforcement programs.
- Sitting on sidewalk, sleeping outside, and panhandling became crimes.
- Criminalization has been driven by the concerns of business people and residents uncomfortable with the unsightliness of extreme poverty.
- Business Improvement Districts use private security to remove homeless people from public space.
- The widespread demonizing of homeless people in policy rationales and media coverage has caused a dramatic nationwide increase in deadly violence against homeless people.
- “Criminal records” limit access to housing and services.
- Jails cannot address the lack of housing that put millions of people on the streets in the first place.

Collective Misrecognition

- The omission of the systemic causes of homelessness in our public discussions and policy responses has created what sociologist Pierre Bourdieu called a “collective misrecognition.”
- The greatest “misrecognition” of all is that the U.S. doesn’t have the money to do anything more.
- The money needed to resolve homelessness *is* available, but the federal government spend funds elsewhere.



Chapter 4:

Lethal Trade Offs: Funding Destroyers, Tax Subsidies and Corporate Greed Instead of Affordable Housing Production


Where Is the Money Going?

- Federal government budget outlays have doubled in the last 30 years, while federal funding for the construction of affordable housing has plummeted.
- The last 30 years have seen an unrelenting increase in military spending.
- The 2010 budget called for \$663.8 billion in discretionary military spending and *actual* defense-related expenditures exceeded *one trillion dollars*.
- The recent corporate bailout cost taxpayers over \$800 billion — a sum that surpasses the entirety of funding allocated for homeless assistance and affordable housing over the last three decades.
- The cumulative impact on the well-being and health of millions of people has been devastating.

Housing Assistance for Homeownership

- In 2008, homeowner tax breaks were expected to cost the US Treasury \$144 billion, with 75% of this expenditure benefiting homeowners earning more than \$100,000 a year.
- During the same year, total funding in all federal low-income housing assistance programs was \$46 billion.
- The national gap between the rich and poor in the U.S. is now larger than in any other advanced industrial nation.



- 
- Every income group except for the top 20% has lost ground in the past 30 years, regardless of whether the economy has boomed or tanked.
 - The federal government has chosen to allocate money in ways that exacerbate homelessness and poverty.



Conclusion

Working Together for Human Rights in the United States

- Ending homelessness will require a serious re-commitment by the federal government to create, subsidize, and maintain truly affordable housing.
- Instead of building affordable housing, government agencies, foundations, and policy experts worked together to generate a vicious cycle of homeless policy.
- On her mission to the U.S., Raquel Rolnik, U.N. Special Rapporteur on adequate housing, recommended that the federal government: 1) provide more new affordable housing; 2) better maintain existing public and subsidized housing; 3) place a moratorium on the demolition of any public housing without one-for-one replacement with a right of return; 4) develop constructive alternatives to the criminalization of homelessness; and 5) ensure that all decisions impacting tenants in public and subsidized housing are made with full tenant participation.
- The Rapporteur noted that the lack of housing is the root cause of homelessness and that housing policy should focus less on the mortgage interest tax deduction and more on providing affordable housing to homeless and low-income people.
- We need to organize around people and not just issues and build relationships that cross class, race, gender, religion, and geography.
- Until we recognize housing as a human right, along with quality education, economic security, and health care, we will not end homelessness.



What Can I Do?

- Educate yourself.
- Speak out and organize for the human right to housing.
- Support social justice organizations and service providers addressing systemic causes of poverty.
- Write or call editors of newspapers when they demonize homeless people.
- JOIN WRAP!

