The Making of Homelessness

How U.S. Policy Turned Poverty into a Permanent Condition

Western Regional Advocacy Project

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Executive Summary

Since the 1980s, federal housing and welfare policy has shifted away from long-term investments that build stability for communities and families and toward short-term crisis management. Reagan-era cuts, 1990s welfare reform, and the Housing Opportunities for People Everywhere (HOPE VI) initiative replaced structural supports with market-driven, time-limited responses. Insufficient policy interventions in the 2000s cemented the federal government's approach.

Federal retreat, privatization, "personal failure" and "scarcity" narratives, punitive policies, and distorted data has made homelessness a durable feature of American governance. Gains flow upward to banks, developers, and higher-income households, while harms fall on extremely low-income renters, Black and Brown families, single mothers, immigrants, and disabled children.

These interrelated dynamics appear in several ways:

1. **Federal withdrawal from housing and income supports pushed housing into the private market.**

    - The federal government redefined housing as a market commodity rather than a social right, reinforcing its deliberate withdrawal from public responsibility.
    - Policymakers advanced an austerity narrative—a "fixed-pie mindset"—claiming limited funds while expanding subsidies for corporations and military spending.
    - Manufactured crises, such as the deterioration of public housing and the 2008 financial collapse, were used to justify "free-market" solutions.
    - Programs like HOPE VI and Temporary Assistance for Needy Families (TANF) reframed aid as conditional and temporary, replacing structural investment with punitive conditions.
    - Sustained withdrawal eroded the social safety net and legitimized privatization as the dominant policy logic.

2. **Policymakers reframed poverty as personal failure to justify cutting support.**

    - Policy discourse turned structural inequality into a narrative of personal failure, weakening scrutiny of federal responsibility.
    - The so-called "personal responsibility" narrative was used to justify slashing social spending while extolling the virtues of self-reliance.
    - Policymakers and the media reinforced stereotypes of the "undeserving poor," creating moral hierarchies among the poor themselves.
    - A "scarcity mindset," the belief that resources are too limited to help everyone, normalized deprivation as unavoidable.
    - By individualizing structural harm, policymakers obscured collective accountability and legitimized punitive welfare reforms.

3. **The federal government increasingly policed homelessness through punitive tools.**

    - Paternalistic and racialized narratives about "deservingness" helped legitimize the shift from welfare retrenchment to the criminalization of homelessness.
    - Poverty was increasingly treated as a "public nuisance" rather than a social condition requiring assistance, shifting policy focus from aid to exclusion.
    - Local governments expanded ordinances penalizing sleeping, sitting, or resting in public, effectively criminalizing survival.
    - Court rulings like *Grants Pass v. Johnson* reinforced punitive enforcement, legitimizing exclusion under the guise of "public order."
    - Punitive welfare policies substituted sanctions for aid, treating those in need as deviants through mechanisms like time limits, work requirements, and surveillance.
    - This criminalization logic shifted public resources from social services toward policing and incarceration systems, intensifying vicious cycles of poverty and displacement.
    - Punitive governance ultimately normalized the notion that poverty is best addressed through control, not compassion.

4. **Institutions manipulated data to mask systemic failure.**
    - Government agencies framed performance through selective metrics, creating the illusion of success while conditions worsened.
    - Policy metrics emphasized "quantifiable outputs" (e.g., service recipients) over "substantive outcomes" (e.g., long-term housing stability), leading to the displacement and dilution of policy accountability.
    - When policymakers framed data as "evidence of efficiency," systemic neglect was obscured while providing justification for ongoing funding cuts.
    - Nonprofits and contractors adopted the same logic to sustain funding streams, embedding accountability gaps throughout the system.
    - Narrow definitions and undercounts of homelessness erased many groups from official view, making the crisis appear smaller and less urgent.
    - Consequently, data ceased to be a tool for measuring progress and instead became a political mechanism to conceal policy failure and shield policymakers from accountability.

5. **Market-driven reforms funneled benefits upward.**

    - Subsidies, tax advantages, and redevelopment opportunities increasingly flowed to banks, developers, and higher-income households rather than to low-income renters.
    - Privatization tools like HOPE VI and the mortgage-interest deduction transferred public value into private hands.
    - Political incentives and federal funding structures rewarded institutions best positioned to meet performance metrics, not households most in need.

- Extremely low-income renters, Black and Brown communities, single mothers, immigrants, and disabled children absorbed the greatest harms.
- Displacement, sanctions, and tightened eligibility rules concentrated instability among households already facing structural barriers.
- Screening barriers, foreclosures, and punitive welfare rules pushed the lowest-income households further from stable housing and stripped them of income and protections.

The legacies of these shifts continue to structure the housing and homelessness landscape. These patterns show up today in several ways:

- **Accelerated disinvestment in permanent housing:** The U.S. Department of Housing and Urban Development (HUD) is cutting funding for permanent housing at a scale and speed that mirrors, and in some cases exceeds, 1980s-era reductions, shifting resources away from long-term stability. Experts estimate that four million people could lose federal housing assistance.
- **Deep cuts to the broader safety net:** The One Big Beautiful Bill Act and related measures slash HUD, health care, Supplemental Nutrition Assistance Program (SNAP), and disability benefits while tightening eligibility and shrinking the pool of people who qualify for basic supports. The Congressional Budget Office estimates that millions of people will lose their benefits, especially marginalized communities. For instance, the July 2025 a reconciliation that made even *legal* immigrants ineligible for ACA subsidies, SNAP, Medicare, Medicaid, and CHIP.
- **Work requirements and sanctions as gatekeeping tools:** TANF and SNAP are increasingly conditioned on work requirements and compliance rules that function as punishment, pushing families out of aid rather than reducing poverty.
- **Privatization masked as "partnership":** "Public-private partnerships," Low-Income Housing Tax Credits (LIHTCs), and Opportunity Zone expansions channel public resources through private markets, entrenching a Reagan-style reliance on private profit-making strategies to "solve" social problems.
- **Punitive governance and targeted criminalization:** Governments at every level are intensifying policing and punishment of unhoused people, immigrants, and queer and trans communities, using tools like *Grants Pass*–style ordinances and civil or criminal commitment instead of providing housing and income.
- **Exclusion of immigrants from basic protections:** New federal eligibility restrictions make even lawfully present immigrants ineligible for SNAP and key federal health-care programs, including Medicare and Medicaid, forcing entire communities into deeper economic and health insecurity.
- **Data manipulation and invisibility:** As agencies lose funding and restrict program access, they invest less in research and use shrinking caseloads as "proof" that poverty is falling, rather than evidence that eligibility has been narrowed and people have been pushed off the rolls.

- **Stigmatizing narratives that individualize poverty:** Policy debates still frame homelessness as a consequence of bad choices, reinforcing neoliberal moralism and obscuring the structural role of disinvestment, privatization, and criminalization.

To correct course, the following recommendations target the structural failures identified in this brief:

- **Restore and expand permanent housing funding:** Reverse cuts to HUD permanent housing programs, tie funding to actual need, and prioritize deeply affordable, non-time-limited housing over shelters and short-term "relief."
- **Strengthen and increase support for basic income and safety-net programs:** Block and unwind the One Big Beautiful Bill Act cuts; remove work requirements, sanctions, and arbitrary time limits from TANF, SNAP, and disability programs so that income supports function as an entitlement rather than a conditional privilege.
- **Shift away from privatized solutions:** Curb overreliance on LIHTCs, Opportunity Zones, and "public-private partnerships" where private actors capture most of the value; instead, re-invest in public and nonprofit housing, including restoring and improving public housing.
- **Decriminalize poverty and homelessness:** Repeal *Grants Pass*-style ordinances and related civil and criminal commitment schemes; condition federal funds on non-criminalizing responses to homelessness and on the expansion of housing and services rather than policing.
- **Protect targeted communities in law and policy:** Roll back exclusions that bar immigrants from SNAP, Medicaid, Medicare, and other federal health-care programs, enact explicit protections against discrimination and punitive policies targeting unhoused people, immigrants, and LGBTQ+ communities.
- **Fund independent research and truthful metrics:** Require agencies to track and report housing need, homelessness, and benefit denials transparently, and prohibit using caseload reduction alone as a success measure.
- **Reframe federal narratives about homelessness around facts:** Center homelessness as a preventable policy failure driven by disinvestment and structural racism, not individual pathology, and align federal guidance, reporting, and communications with that frame.
- **Back movement-led advocacy and enforcement:** Support litigation, organizing, and federal oversight that challenge punitive local regimes, enforce civil and human rights, and redirect federal dollars toward permanent housing, income supports, and community-defined solutions.

Introduction

I. THE CRISIS: A POLICY OF AUSTERITY AND CRIMINALIZATION

The United States creates and sustains its homelessness crisis through deliberate policy choices. Decision-makers design systems that leave people unhoused and struggling, pushing dangerous rhetoric and policies that entrench and penalize poverty. From the 1980s to the present day, simultaneous cuts to housing, health, and social safety nets, combined with punitive responses, drive increases in homelessness. In 2025, the federal agenda repeats these same patterns, threatening increased displacement, food and resource insecurity, and criminalization, especially for Black, brown, and indigenous, immigrant, disabled, and LGBTQ+ communities.

While history recognizes these tactics, the Trump administration is moving at a scale, pace, and scope that should alarm anyone concerned with poverty or homelessness. With the passage of the One Big Beautiful Bill Act, multiple Executive Orders constraining resources for homeless people, and other major policy changes, the Trump administration and Congress is replicating many of the same damaging strategies employed since the Reagan administrations: drastically cutting funding for housing, health care, food stamps, and disability benefits. At the same time, they retain or expand subsidies and exemptions for private industries.

II. RECURRING THEMES: HISTORY'S WARNING

From the birth of public housing to the current day, the United States government's approach to homelessness has followed the same patterns. Should this persist, history will repeat itself with a predictable conclusion: a worsening homelessness crisis. A critical remedy starts with studying historical lessons revealing how certain policy choices inflict harm instead of improving stability and housing. This report highlights the following patterns across eras:

Through **federal disinvestment and structural withdrawal**, the government consistently abdicates its responsibilities to provide access to housing by failing to allocate sufficient funding for programs. Beginning in the late 1970s, federal policy shifted from building and maintaining public housing to relying on volatile, market-based subsidies and local discretion. The government's lack of investment in providing housing for all creates an insidious scarcity mindset: communities must fight over too few vouchers, too few shelter beds, and too few units.

This enduring commitment to austerity also **reframes homelessness as an individual failure** rather than a predictable outcome of policy choices. When responsibility is pushed onto the individual, homelessness becomes a problem— not of the government but of private individuals— who then garner less public support in a persistent cycle of public and governmental disinvestment.

Pervasive data manipulation, accountability gaps, and the politics of measurement further hide these structural choices. The federal government's primary homelessness metrics

routinely undercount the crisis, and agencies increasingly fail to collect, report, or preserve data that would reveal the real scale of displacement. By depressing realistic numbers, policymakers justify continued underinvestment and shield themselves from responsibility.

Simultaneously, many jurisdictions respond with **criminalization and punitive governance**, such as sweeps, sit-lie bans, camping bans, and incarceration aimed at removing the most visible poverty rather than addressing its causes. These measures transfer responsibility to police departments, private contractors, and carceral institutions, which receive a steady flow of funding to address the issue by temporarily moving homelessness out of public view.

In this regime, the question of who benefits and who loses is clear: **policies are enacted on people, not by them,** channeling money and power upward while the unhoused bear the human cost of a system designed to punish, not to house.

III. IMMEDIATE THREATS: CURRENT POLICIES AND DISINVESTMENT

The current federal approach continues a dual legacy: combining drastic cuts to safety-net programs— including what may be the most significant reduction to health and food assistance in United States history[1]— with dramatic increases in the criminalization of unhoused people. The current crisis is manifesting across the federal government through four key approaches to branches disinvestment in proven supports that stave off poverty and homelessness: Medicaid, Supplemental Nutrition Assistance Program (SNAP) and Temporary Assistance for Needy Families (TANF), Supplemental Security Income (SSI) and State Disability Insurance (SDI) programs, and Housing First.[2]

The assault on Housing First illustrates the costs of undermining proven solutions. Since 2009, Housing First has successfully reduced chronic homelessness by more than a third and

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[1] CTR. ON BUDGET & POL'Y PRIORITIES, *Implementing the Harmful Republican Megabill: A Timeline* (Oct. 8, 2025), *https://www.cbpp.org/research/federal-budget/implementing-the-harmful-republican-megabill-a-timeline (*on the overall claim of the "largest cuts in their history" to health and food assistance, and provides implementation timelines for Medicaid and SNAP changes).

[2] Elizabeth Hinton, Amaya Diana & Robin Rudowitz, *A Closer Look at the Work Requirement Provisions in the 2025 Federal Budget Reconciliation Law*, KFF (July 30, 2025), https://www.kff.org/medicaid/a-closer-look-at-the-work-requirement-provisions-in-the-2025-federal-budget-reconciliation-law/, *(*on Medicaid disinvestment, including CBO estimates of $326 billion in federal savings from work requirements and the projected coverage loss*);* Kathleen Romig & Devin O'Connor, *Trump Administration Abruptly Cut Off Highly Effective Support for Disabled People Experiencing Homelessness*, CTR. ON BUDGET & POL'Y PRIORITIES Blog (Oct. 6, 2025, 2:52 PM), https://www.cbpp.org/blog/trump-administration-abruptly-cut-off-highly-effective-support-for-disabled-people*(*on disinvestment in SSI/SSDI support programs by ending funding for the SOAR Technical Assistance Center*);* Ty Jones Cox, *Taking Away Food Assistance Puts the Trump Administration on the Wrong Side of History*, CTR. ON BUDGET & POL'Y PRIORITIES BLOG (Nov. 19, 2025), https://www.cbpp.org/research/food-assistance/taking-away-food-assistance-puts-the-trump-administration-on-the-wrong (on SNAP disinvestment noting the enactment of the "largest cuts in history in the Supplemental Nutrition Program"*)*; Philip Mangano, Opinion, *We Found a Solution to Homelessness. Now the Trump Administration Wants to Throw It Out.,* NY. TIMES, Oct. 20, 2025., https://www.nytimes.com/2025/10/20/opinion/hud-homelessness-housing-first.html (on the disinvestment in the Housing First model, noting the proposed $2 billion cut to permanent supportive housing and the risk of 170,000 people losing housing)*;* NLIHC Organization, *Nat'l HoUSed Campaign Call: October 14, 2025* YOUTUBE (Oct. 14, 2025), https://www.youtube.com/watch?v=5qL4n4KcRF8/ (on the disinvestment in Housing First by discussing the threat of a 30% cap on permanent housing in the Continuum of Care program and the potential loss of subsidies).

veteran homelessness by over 50 percent.[3] The current administration undermines such progress, including a proposed $2 billion cut to Permanent Supportive Housing (PSH)[4] and an up-to 44 percent decrease in Housing and Urban Development (HUD) funding[5] (potentially leaving over four million people without support)[6]. Additionally, upcoming funding guidelines for the Continuum of Care (CoC) program could drastically decrease spending for permanent housing,[7] which could put over 170,000 people who were previously homeless at risk of losing their housing again.[8]

This disinvestment also impacts core safety net programs. Consider Medicaid. The 2025 budget plan introduces new nationwide work and verification rules for Medicaid expansion enrollees, which are estimated to leave about 7.5 million more people uninsured by 2034.[9] Beginning January 2027, people will need to work 80 hours a month to maintain eligibility.[10] If they lose Medicaid because they do not meet this requirement, they will not qualify for Marketplace premium tax credits.[11]

Just as poor Americans' health is threatened, their food insecurity will grow. For example, SNAP is undergoing significant cuts, including expanded work requirements that now apply to older adults, veterans, and people experiencing homelessness.[12]

Other critical resources are also on the chopping block. Access to disability benefits is at risk due to administrative cuts, including the removal of about $2.6 million in federal support

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[3] Philip Mangano, Opinion, *We Found a Solution to Homelessness. Now the Trump Administration Wants to Throw It Out.*, NY. TIMES, Oct. 20, 2025., https://www.nytimes.com/2025/10/20/opinion/hud-homelessness-housing-first.html.

[4] Philip Mangano, Opinion, *We Found a Solution to Homelessness. Now the Trump Administration Wants to Throw It Out.*, NY. TIMES, Oct. 20, 2025., https://www.nytimes.com/2025/10/20/opinion/hud-homelessness-housing-first.html

[5] Kristen Klurfield & Graham DiLorenzo, BIPARTISAN POL'Y CTR., *President Trump's FY2026 Budget: Overview of Changes to Federal Housing Programs,* (June 11, 2025), https://bipartisanpolicy.org/article/president-trumps-fy2026-budget-overview-of-changes-to-federal-housing-programs.

[6] Jesse Coburn, *Millions Could Lose Housing Aid Under Trump Plan*, PROPUBLICA (Sept. 29, 2025), https://www.propublica.org/article/trump-housing-reforms-aid-hud-immigration-homelessness.

[7] NLIHC, *National HoUSed Campaign Call: November 25, 2025,* YOUTUBE (Dec. 3, 2025), https://youtu.be/14WgnvHz328?si=77X0PvksEOGNzBF2 (at 2:00–3:00).

[8] NLIHC, *National HoUSed Campaign Call: November 25, 2025,* YOUTUBE (Dec. 3, 2025), https://youtu.be/14WgnvHz328?si=77X0PvksEOGNzBF2 (at 3:00–4:00); Katherine Hapgood, *Trump administration policy change makes deep cuts to homeless permanent housing program*, POLITICO (Nov. 14, 2025 11:28 AM) *https://www.politico.com/news/2025/11/13/trump-cuts-homeless-housing-program-00650758.*

[9] Alice Burns et al., *How Will the 2025 Reconciliation Law Affect the Uninsured Rate in Each State?,* KFF (Aug. 20, 2025), *https://www.kff.org/medicaid/how-will-the-2025-reconciliation-law-affect-the-uninsured-rate-in-each-state/*.

[10] Elizabeth Hinton, Amaya Diana & Robin Rudowitz, *A Closer Look at the Work Requirement Provisions in the 2025 Federal Budget Reconciliation Law*, KFF (July 30, 2025), https://www.kff.org/medicaid/a-closer-look-at-the-work-requirement-provisions-in-the-2025-federal-budget-reconciliation-law/.

[11] CTR. ON BUDGET & POL'Y PRIORITIES, *Implementing the Harmful Republican Megabill: A Timeline* (Oct. 8, 2025), *https://www.cbpp.org/research/federal-budget/implementing-the-harmful-republican-megabill-a-timeline;* Elizabeth Hinton, Amaya Diana & Robin Rudowitz, *A Closer Look at the Work Requirement Provisions in the 2025 Federal Budget Reconciliation Law*, KFF (July 30, 2025), https://www.kff.org/medicaid/a-closer-look-at-the-work-requirement-provisions-in-the-2025-federal-budget-reconciliation-law/.

[12] CTR. ON BUDGET & POL'Y PRIORITIES, *Implementing the Harmful Republican Megabill: A Timeline* (Oct. 8, 2025), *https://www.cbpp.org/research/federal-budget/implementing-the-harmful-republican-megabill-a-timeline;*Ty Jones Cox, *Taking Away Food Assistance Puts the Trump Administration on the Wrong Side of History*, CTR. ON BUDGET & POL'Y PRIORITIES BLOG (Nov. 19, 2025), https://www.cbpp.org/research/food-assistance/taking-away-food-assistance-puts-the-trump-administration-on-the-wrong.

for the SSI/SSDI, Outreach, Access, and Recovery (SOAR) program.[13] This crucially helps 65 percent of applicants get their benefits considerably faster than average.[14]

These policies severely increase vulnerability. Those who survive must face the gauntlet of laws and stigmas that criminalize and punish homelessness. Recently, the *Grants Pass* Supreme Court decision made it easier to fine and arrest unhoused people trying to survive outdoors, even when no shelter exists.[15] Adding fuel to the fire, the Trump administration implemented an executive order titled "Ending Crime and Disorder on American Streets" in July 2025, promoting ineffective policies such as forced institutionalization.[16] Civil rights protections are also being weakened as federal agencies like HUD face staffing shortages, and new regulations increasingly restrict investigations into discrimination based on sexual orientation or gender identity.[17] Additionally, shelter funding is frequently contingent on ideology,[18] which may prevent immigrants and LGBTQ+ individuals from accessing shelters and essential services.

The federal administration has designed each of these policy changes for the purpose of divesting from vulnerable people and lining the pockets of the wealthy. These sweeping policy changes —and those still advancing— threaten to escalate homelessness to unprecedented levels. History makes clear the profound damage such political turns will inflict, but such fates are not inevitable. Unhoused people, organizers, and advocates also own a long history of demanding dignity and justice, and their leadership remains essential to confront the specter of harmful histories returning anew.

IV. ADVOCATING FOR CHANGE: HOW TO USE THIS REPORT

The goal of this report is to empower impacted communities and advocates with the lessons of the past as they take on this new era of resistance. It is organized chronologically and thematically across four major eras, each tracing a distinct era of federal policy and its impact on homelessness.

Chapter 1 examines the 1980s. It details how Reagan-era austerity, data manipulation, and emergency-only responses dismantled the housing safety net and normalized homelessness as a permanent condition. **Chapter 2** covers the 1990s, explaining how bipartisan welfare reform reframed poverty as individual failure, replaced federal entitlements with block

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[13] Kathleen Romig & Devin O'Connor, *Trump Administration Abruptly Cut Off Highly Effective Support for Disabled People Experiencing Homelessness*, CTR. ON BUDGET & POL'Y PRIORITIES BLOG (Oct. 6, 2025, 2:52 PM), https://www.cbpp.org/blog/trump-administration-abruptly-cut-off-highly-effective-support-for-disabled-people.

[14] Kathleen Romig & Devin O'Connor, *Trump Administration Abruptly Cut Off Highly Effective Support for Disabled People Experiencing Homelessness*, CTR. ON BUDGET & POL'Y PRIORITIES BLOG (Oct. 6, 2025, 2:52 PM), https://www.cbpp.org/blog/trump-administration-abruptly-cut-off-highly-effective-support-for-disabled-people

[15] *City of Grants Pass v. Johnson*, 603 U.S. 520 (2024).

[16] Exec. Order No. 14321, 90 Fed. Reg. 35817 (July 24, 2025).

[17] NLIHC Organization, *Nat'l HoUSed Campaign Call: October 14, 2025* YOUTUBE (Oct. 14, 2025), https://www.youtube.com/watch?v=5qL4n4KcRF8/ (on civil rights protections being weakened, staffing shortages HUD/FHEO, restrictions on investigations, and compromised agency capacity)

[18] NLIHC Organization, *Nat'l HoUSed Campaign Call: October 14, 2025* YOUTUBE (Oct. 14, 2025), https://www.youtube.com/watch?v=5qL4n4KcRF8/ (on weaponizing funding against civil rights and DEI, targeting permanent housing funding, and ideological beliefs in homelessness policy).

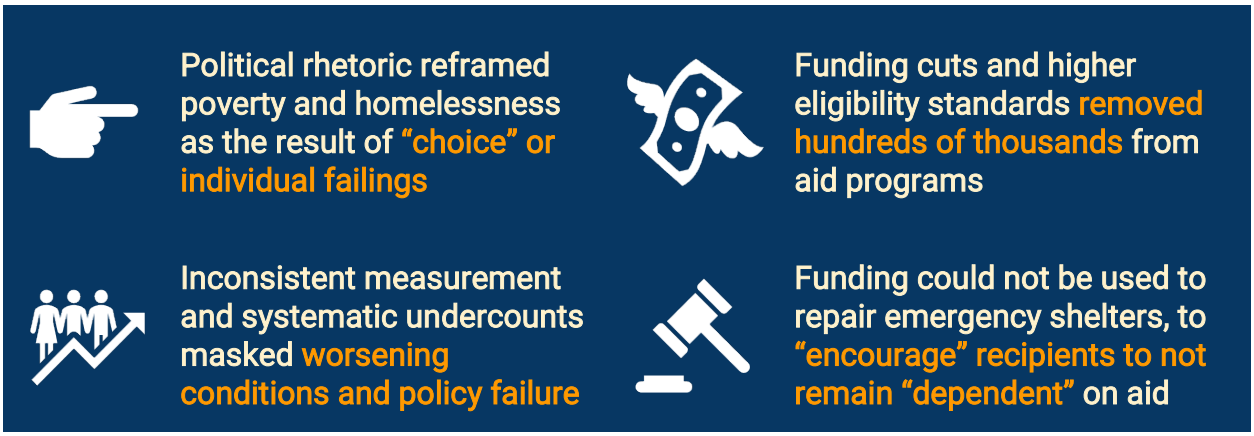
grants, and deepened housing precarity through punitive policies like the “One Strike” policy. **Chapter 3** analyzes HOPE VI, a federal public housing initiative that started in 1993 and still reverberates today. It documents how redevelopment and public-private partnerships lead to the large-scale destruction of deeply affordable housing, widespread displacement, and long-term supply losses. **Chapter 4** covers some highlights of the 2000s, showing how federal and local policies focused on managing visibility and individual behavior instead of structural drivers, while deregulation and recession-era instability further expanded homelessness.

Chapter 5 by tracing the ongoing federal retreat from effectively addressing homelessness through these four historical lenses. It highlights recurring themes that can predict the future of homelessness if the United States continues this well-worn, tragic path. It concludes with an essential message: history is not doomed to repeat itself. Fully investing in housing, resources, and services can reduce homelessness and save lives.

Advocates can use this report to organize and elevate the leadership of unhoused people, to advance public education, and to press lawmakers and other stakeholders for meaningful action. This report also demonstrates, plainly and directly, how policy choices drive homelessness.

The nation now faces a choice: repeat the mistakes that created this crisis or forge a new path grounded in evidence, common sense, and dignity. The U.S. is headed for a crisis of its own making unless its people choose a different course. By rejecting punishment and advancing housing as a human right, the country can replace harm with healing and build a foundation rooted in justice and care.

Chapter 1 – The 1980s: Federal Disinvestment and the Roots of Modern Homelessness



The 1980s marked a turning point in how the U.S. approached poverty and housing, signaling a shift away from sustained federal investments in income support and low-income housing. During the 1981–82 recession, the Reagan administration invoked "free-market" ideology and "personal choice" rhetoric to justify adopting trickle-down economics policies, cutting social programs, and pulling back from affordable housing construction. Rather than funding affordable rentals, federal support prioritized the mortgage interest tax deduction, disproportionately benefiting homeowners and leaving low-income renters with fewer supports, exacerbating the structural causes of homelessness. At the same time, the federal government failed to recognize the systemic roots of the growing homelessness crisis. Instead, it treated homelessness as a short-term emergency rather than a structural issue requiring long-term solutions. Consequently, by the end of the decade, the nation had largely accepted homelessness as a permanent feature of the American landscape.

The federal government failed to treat homelessness as a structural issue requiring long-term solutions.

Ultimately, Reagan-era policies did not just respond—unsuccessfully—to homelessness, they created the conditions for its surge and institutionalized emergency relief over structural solutions, shaping how the nation addresses the crisis to this day.

Section I of this chapter examines the cultural and political context leading up to the Reagan years and how the early 1980s recession laid the groundwork for major cuts to the welfare state. Section II outlines how Reagan-era ideology around personal responsibility and the notion of "choosing dependency" was used to justify new and revised federal policies throughout the decade. These included efforts at retrenchment (spending reductions framed as economic discipline), programmatic changes, reduced spending on social programs and

affordable housing while continuing to subsidize homeowner mortgages, and the government's reliance on short-term emergency responses. Section III examines the impact of these policy changes on homelessness and low-income renters, while Section IV identifies areas of conflict and shifts in advocacy that carried into future decades.

I. INTRODUCTORY CONTEXT

In the early 1980s, shifting economic conditions and limited, often misleading data distorted how poverty and housing needs were understood. What appeared to be a national "recovery" masked widening inequality and worsening housing insecurity for low-income Americans. The perceived scale and visibility of government aid fueled calls for smaller government and personal responsibility, while housing data gave a false sense of stability. This part begins by examining how the recession and public perceptions of assistance shaped support for federal cutbacks, and then how unreliable housing data and incomplete homelessness data obscured the true depth of the affordable-housing shortage.

A. Reagan's economic agenda deepened poverty despite "recovery" rhetoric

At the start of Reagan's presidency in 1981, government transfers, such as Social Security, food stamps, Medicaid, and housing assistance had driven most of the progress in reducing poverty, rather than wage growth.[19] This policy reliance left low-income households economically exposed heading into the 1981–82 recession,[20] meaning any cuts to the safety net would deepen poverty even as the economy appeared to "recover."

Between 1965 and 1981, improvements in living standards for low-income households were driven primarily by government assistance programs, while market incomes changed little.[21] The safety net had become both broad and visible as transfers tripled in real terms and doubled as a share of Gross National Product (GNP, the total economic output of all U.S. citizens), over this period.[22] By 1981, these transfers accounted for roughly 10 percent of GNP and just under half of federal spending, with major income-support programs totaling $294.8 billion in 1981.[23]

Within the first six months of Reagan's presidency, the economy entered a recession.[24] Unemployment rose from 7.5 percent in January 1981[25] to a post-World War II peak of 10.8

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[19] Eugene Smolensky, *Poverty in the United States: Where Do We Stand?*, 5 FOCUS 1, 2 (1981–1982), https://www.irp.wisc.edu/publications/focus/pdfs/foc52.pdf.
[20] Sheldon Danziger & Robert Haveman, *The Reagan Administration's Budget Cuts: Their Impact on the Poor*, 5 FOCUS 13, 14–15 (1981-1982), https://www.irp.wisc.edu/publications/focus/pdfs/foc52b.pdf.
[21] Eugene Smolensky, *Poverty in the United States: Where Do We Stand?*, 5 FOCUS 1, 2 (1981–1982), https://www.irp.wisc.edu/publications/focus/pdfs/foc52.pdf.
[22] Eugene Smolensky, *Poverty in the United States: Where Do We Stand?*, 5 FOCUS 1, 2–3 (1981–1982), https://www.irp.wisc.edu/publications/focus/pdfs/foc52.pdf.
[23] Eugene Smolensky, *Poverty in the United States: Where Do We Stand?*, 5 FOCUS 1, 2–3 (1981–1982), https://www.irp.wisc.edu/publications/focus/pdfs/foc52.pdf.
[24] Paul O. Flaim, *Unemployment in 1982: The Cost to Workers and Their Families* 107 MONTHLY LAB. REV. 30, 31 (1984), https://www.jstor.org/stable/41842216.
[25] U.S. BUREAU OF LAB. STAT., *Figure 1. Unemployment Rate and Timing of Changes to Current Population Survey Measurement, 1940–2017*, https://www.bls.gov/opub/mlr/2018/images/data/haugen-figure1.stm (last visited Nov. 3, 2025).

percent in late 1982.[26] That year, about one-third of American families had at least one unemployed member, and more than nine million workers had been jobless for months, rapidly depleting household savings.[27] Poverty climbed alongside unemployment: by 1982, about 15 percent of Americans were living in poverty, and the number of people in poverty had grown from 24.5 million in 1978 to 34.4 million.[28]

While poverty is often a temporary condition that people move in and out of over time, many low-income households had persistently low earnings, so their progress depended more on benefit eligibility than on wage growth.[29] In 1981, people with disabilities made up the second-largest share of the low-income population, and though subsidized jobs mitigated the burden on government transfers in some cases, most could not escape poverty through employment.[30, 31] At the same time, poverty rates among Black and Hispanic households remained more than twice as high as among white households, even after substantial declines during the period following 1965.[32] Furthermore, many recent Black employment gains came largely from public-sector jobs, leaving Black households more vulnerable to recession-induced government budget cuts.[33] Rolling back transfers therefore threatened to erase gains achieved since 1965 and exposed the limits of relying on the labor market alone to reduce poverty.[34]

Poverty rates among Black and Hispanic households were more than twice as high as among white households.

The visibility of federal income-support programs, together with the sharp rise in reliance on assistance during the downturn, created political space for Reagan and a Republican-led Senate to argue for retrenchment grounded in free-market, personal-

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[26] Paul O. Flaim, *Unemployment in 1982: The Cost to Workers and Their Families* 107 MONTHLY LAB. REV. 30, 30 (1984), https://www.jstor.org/stable/41842216.
[27] Paul O. Flaim, *Unemployment in 1982: The Cost to Workers and Their Families* 107 MONTHLY LAB. REV. 30, 32–35 (1984), https://www.jstor.org/stable/41842216.
[28] Jennifer R. Wolch & Andrea Akita, *The Federal Response to Homelessness and Its Implications for American Cities*, 10 URB. GEOGRAPHY 62, 72 (1989).
[29] Eugene Smolensky, *Poverty in the United States: Where Do We Stand?*, 5 FOCUS 1, 2 (1981–1982), https://www.irp.wisc.edu/publications/focus/pdfs/foc52.pdf.
[30] Eugene Smolensky, *Poverty in the United States: Where Do We Stand?*, 5 FOCUS 1, 2, 6 (1981–1982), https://www.irp.wisc.edu/publications/focus/pdfs/foc52.pdf.
[31] Reagan's growth-first, anti-inflation strategy was poorly suited to reducing poverty compared with targeted income supports. Lowering unemployment is a much more effective way to reduce poverty than general economic growth, and anti-inflation policies that raise unemployment tend to hurt low-income workers most, since losing a job is far more damaging than facing higher prices. *See* Eugene Smolensky, *Poverty in the United States: Where Do We Stand?*, 5 FOCUS 1, 2, 4 (1981–1982), https://www.irp.wisc.edu/publications/focus/pdfs/foc52.pdf.
[32] Eugene Smolensky, *Poverty in the United States: Where Do We Stand?*, 5 FOCUS 1, 4 (1981–1982), https://www.irp.wisc.edu/publications/focus/pdfs/foc52.pdf.
[33] Sheldon Danziger & Robert Haveman, *The Reagan Administration's Budget Cuts: Their Impact on the Poor*, 5 FOCUS 13, 14 (1981–1982), https://www.irp.wisc.edu/publications/focus/pdfs/foc52b.pdf.
[34] Eugene Smolensky, *Poverty in the United States: Where Do We Stand?*, 5 FOCUS 1, 10 (1981–1982), https://www.irp.wisc.edu/publications/focus/pdfs/foc52.pdf.

responsibility, and small-government ideology.[35] This framing shaped a decade in which political messaging around "economic recovery" obscured the deeper erosion of poverty protections.[36]

B. A housing shortage hidden behind misleading data

Today's understanding of the early-1980s housing market reveals a deepening shortage of affordable homes that contemporaneous national data failed to capture. Homelessness was poorly understood and rarely measured, leaving the depth of the crisis hidden behind reassuring statistics.

Even before the 1980s, major cities faced housing shortages and widening affordability gaps; by the start of the decade, demand for low-cost units already far outstripped supply.[37] The 1981–82 recession pushed unemployment[38] and poverty rates[39] higher, and as the recovery began, rent burden worsened for low-income renters while the supply of low-rent units lagged, widening the gap between incomes and rents.[40] A national rental vacancy rate of 5.3 percent in 1982 suggested adequate housing supply, but this picture was misleading.[41] Many "available" units were either unaffordable to poor households or were not habitable.[42] For low-income renters, the effective shortage was far worse than headline numbers implied.[43]

Prior to the 1980s, homelessness was generally understood as a "detachment from a family-type living arrangement," not a complete lack of shelter, and most people thought of as "homeless" still spent their nights in some form of paid accommodation, such as a hotel.[44] Systematic data on the size and characteristics of this population were virtually nonexistent.[45] While precise numbers are unavailable, the early-1980s trajectory of poverty and housing costs points to an obvious risk—as poverty deepened[46] and the stock of low-rent units failed to keep

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[35] Frank Perez, *Reagan and Neoliberalism: Foundational Policies That Encourage the Creation of the Homeless Industrial Complex*, (Preprint, Feb. 7, 2025), https://www.researchgate.net/publication/388800232.

[36] Beth A. Rubin, James D. Wright & Joel A. Devine, *Unhousing the Urban Poor: The Reagan Legacy*, 19 J. SOCIO. & SOC. WELFARE 111, 123 (1992).

[37] Beth A. Rubin, James D. Wright & Joel A. Devine, *Unhousing the Urban Poor: The Reagan Legacy*, 19 J. SOCIO. & SOC. WELFARE 111, 132–33, 142 (1992).

[38] Paul O. Flaim, *Unemployment in 1982: The Cost to Workers and Their Families* 107 MONTHLY LAB. REV. 30, 30 (1984), https://www.jstor.org/stable/41842216.

[39] Jennifer R. Wolch & Andrea Akita, *The Federal Response to Homelessness and Its Implications for American Cities*, 10 URB. GEOGRAPHY 72 (1989).

[40] Beth A. Rubin, James D. Wright & Joel A. Devine, *Unhousing the Urban Poor: The Reagan Legacy*, 19 J. SOCIO. & SOC. WELFARE 111, 142–44 (1992).

[41] Beth A. Rubin, James D. Wright & Joel A. Devine, *Unhousing the Urban Poor: The Reagan Legacy*, 19 J. SOCIO. & SOC. WELFARE 111, 130–31, 143 (1992).

[42] Beth A. Rubin, James D. Wright & Joel A. Devine, *Unhousing the Urban Poor: The Reagan Legacy*, 19 J. SOCIO. & SOC. WELFARE 111, 130–31, 143 (1992).

[43] Beth A. Rubin, James D. Wright & Joel A. Devine, *Unhousing the Urban Poor: The Reagan Legacy*, 19 J. SOCIO. & SOC. WELFARE 111, 130–31, 143 (1992).

[44] MARTHA R. BURT, OVER THE EDGE: THE GROWTH OF HOMELESSNESS IN THE 1980S 107 (Russell Sage Found., 1992), http://www.jstor.org/stable/10.7758/978161044.

[45] MARTHA R. BURT, OVER THE EDGE: THE GROWTH OF HOMELESSNESS IN THE 1980S 12 (Russell Sage Found., 1992), http://www.jstor.org/stable/10.7758/978161044.

[46] Jennifer R. Wolch & Andrea Akita, *The Federal Response to Homelessness and Its Implications for American Cities*, 10 URB. GEOGRAPHY 72 (1989).

pace with needs, more households were pushed into severe rent burdens and displacement.[47] Since people experiencing homelessness overwhelmingly came from the lowest income brackets, rising poverty and shrinking affordable stock almost certainly increased inflows into homelessness.[48]

These economic and housing pressures unfolded in an environment increasingly defined by free-market and personal-responsibility narratives, setting the stage for the policy shifts that followed.

II. NEW LAWS AND POLICIES

The laws and policies introduced in the 1980s transformed homelessness from a structural housing issue into a matter of short-term management. Budget cuts dismantled long-term supports, while federal "responses" focused on managing visibility rather than addressing root causes. This part traces how Reagan-era rhetoric around personal responsibility and "dependency" justified deep cuts to social programs, how national defense buildups redirected resources away from domestic spending, and how austerity policies gutted affordable-housing production while homeownership subsidies bypassed low-income renters. It then examines how, once homelessness became politically unavoidable, the first federal responses prioritized and institutionalized short-term emergency relief and symbolic gestures rather than structural prevention or enforceable housing rights.

A. Conservative free-market ideology and "choice" rhetoric justified dismantling the safety net

Using conservative free-market ideology and "bootstraps" rhetoric that cast poverty and homelessness as the result of individual failings, the Reagan administration supplied the rationale for sweeping cuts to welfare and housing programs. From 1981 to 1986, with a Republican-controlled Senate, those cuts moved forward despite sharp ideological divides, with progressives pressing for structural solutions while conservatives argued that homelessness was a temporary condition best addressed by private charity.

[47] Beth A. Rubin, James D. Wright & Joel A. Devine, *Unhousing the Urban Poor: The Reagan Legacy*, 19 J. SOCIO. & SOC. WELFARE 111, 142–44 (1992).
[48] Jennifer R. Wolch & Andrea Akita, *The Federal Response to Homelessness and Its Implications for American Cities*, 10 URB. GEOGRAPHY 73 (1989).

Throughout his tenure, Reagan repeatedly framed economic hardship as a matter of "choice" and portrayed people receiving assistance as choosing "dependency" over work and self-reliance, elevating the racialized, gendered "welfare queen" trope to deflect attention from structural causes.[49] In his 1986 State of the Union address, Reagan explicitly called for the re-evaluation of public benefits in order to "emancipate" poor people from their dependence on those benefits.[50] His administration used these narratives to build support for reductions in means-tested programs, especially public housing.[51] Media during this period amplified these stereotypes, reinforcing blame on individual vice over systemic causes; for example, an editorial cartoon of a Black woman labeled "Welfare Queens" at a Cadillac dealer declaring "I'll take two!" while cheered by a Democratic donkey.[52]

Beyond legitimizing withdrawal to the general public, this framing redirected the policy focus away from enforceable housing rights toward short-term charity, urging churches and community groups to "take in ten families each."[53] This volunteerism message shifted responsibility from the federal government to individuals and nonprofits and, by recasting homelessness as personal misfortune rather than systemic failure, absolved the government of responsibility.[54] These narratives paved the way for budget priorities and program cutbacks.

B. Defense buildup came at the direct expense of social programs

Even before he took office, Reagan publicly planned to reduce the size of the federal government, cut spending, and rebuild American military defense systems.[55] To increase the defense budget while simultaneously reducing overall government spending required cuts to other programs. Between 1981 and 1986, defense outlays increased by 1.3 percent of GNP and

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[49] Frank Perez, *Reagan and Neoliberalism: Foundational Policies That Encourage the Creation of the Homeless Industrial Complex*, (Preprint, Feb. 7, 2025), https://www.researchgate.net/publication/388800232.
[50] Ronald Reagan, *Address Before a Joint Session of Congress on the State of the Union*, U.S. NAT'L ARCHIVES (Feb. 4, 1986), https://www.archives.gov/legislative/features/sotu/reagan.html.
[51] Rosemary Nonye Ndubuizu, *Reagan's Austerity Bureaucrats: Examining the Racial and Gender Bias of Ronald Reagan's Housing Vouchers,* 16 DU BOIS REV.: SOC. SCI. RSCH. ON RACE 535, 543 (2019).
[52] ["Welfare Queen" Buying Cadillacs (editorial cartoon)], *Controlling Images: Welfare Reform, Work Ethic, and the "Welfare Queen"* THE GENDER PRESS, (Apr. 8, 2015), https://genderpressing.wordpress.com/2015/04/08/adair-and-hays-welfare-reform-work-ethic-and-the-working-class/ (last visited Nov. 4, 2025).
[53] Frank Perez, *Reagan and Neoliberalism: Foundational Policies That Encourage the Creation of the Homeless Industrial Complex*, (Preprint, Feb. 7, 2025), https://www.researchgate.net/publication/388800232.
[54] Rosemary Nonye Ndubuizu, *Reagan's Austerity Bureaucrats: Examining the Racial and Gender Bias of Ronald Reagan's Housing Vouchers,* 16 DU BOIS REV.: SOC. SCI. RSCH. ON RACE 535, 543 (2019).
[55] Ronald Reagan, *Republican National Convention Acceptance Speech* (July 17, 1980), RONALD REAGAN PRESIDENTIAL LIBR. & MUSEUM, https://www.reaganlibrary.gov/archives/speech/republican-national-convention-acceptance-speech-1980 (last visited Nov. 3, 2025).

domestic spending decreased by 1.2 percent.[56] These cuts hit the poorest Americans the hardest—although low-income programs made up less than a tenth of overall federal expenditures at the start of Reagan's presidency, they accounted for nearly a third of total budget cuts.[57]

Despite the administration's best efforts, it failed to reduce overall domestic spending by the end of Reagan's presidency.[58] It succeeded, however, in reducing federal spending on welfare benefits relative both to Gross Domestic Product (GDP, the total value of goods and services produced in the U.S.) and to total welfare outlays across federal, state, and local spending.[59] Yet, as the American population grew and aged, federal spending in real dollars on social welfare programs actually increased by 14 percent between 1980 and 1987.[60] Most of these spending increases were due to Social Security payouts for retired and disabled workers and Medicare spending.[61]

Budget and policy changes thus failed to retrench welfare spending overall, but nonetheless led to significant programmatic eligibility and priority changes that left many impoverished people without government support.[62] By reducing spending on means-tested programs, and maintaining Social Security and Medicare spending, the Reagan administration redirected funds towards programs that earned him greater political returns. He continued to support the groups who held voting power (the aging Silent Generation) and made concrete changes to show voters that he kept his campaign promises. These changes redirected the American welfare state away from its growth throughout the 1960s and 1970s, setting up the following decades of welfare reductions.[63]

In 1981, the Republican-controlled Congress passed Reagan's proposed Omnibus Budget and Reconciliation Act of 1981 (OBRA-81).[64] Intended to cut domestic spending by over $30 billion, OBRA-81 tightened eligibility standards for Aid to Families with Dependent Children (AFDC), Social Security Disability Insurance (SSDI), Supplemental Security Income (SSI), Food Stamps, and Unemployment Insurance, among other programmatic changes.[65] The cuts to social service budgets and benefits impacted hundreds of thousands of people living in poverty, straining their already limited resources. For example, the Reagan administration removed around 500,000 families from AFDC.[66] Another 300,000 families had their benefit amounts

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[56] Jennifer R. Wolch & Andrea Akita, *The Federal Response to Homelessness and Its Implications for American Cities*, 10 URB. GEOGRAPHY 64 (1989).
[57] Jennifer R. Wolch & Andrea Akita, *The Federal Response to Homelessness and Its Implications for American Cities*, URB. GEOGRAPHY 64, 73 (1989).
[58] John O'Connor, *US Social Welfare Policy: The Reagan Record and Legacy*, 27 J. SOC. POL'Y 37, 51 (1998).
[59] John O'Connor, *US Social Welfare Policy: The Reagan Record and Legacy*, 27 J. SOC. POL'Y 37, 49 (1998).
[60] John O'Connor, *US Social Welfare Policy: The Reagan Record and Legacy*, 27 J. SOC. POL'Y 37, 49 (1998).
[61] John O'Connor, *US Social Welfare Policy: The Reagan Record and Legacy*, 27 J. SOC. POL'Y 37, 49–50 (1998).
[62] John O'Connor, *US Social Welfare Policy: The Reagan Record and Legacy*, 27 J. SOC. POL'Y 37, 51 (1998).
[63] John O'Connor, *US Social Welfare Policy: The Reagan Record and Legacy*, 27 J. SOC. POL'Y 37, 50, 52 (1998).
[64] Jennifer R. Wolch & Andrea Akita, *The Federal Response to Homelessness and Its Implications for American Cities*, 10 URB. GEOGRAPHY 72 (1989).
[65] John O'Connor, *US Social Welfare Policy: The Reagan Record and Legacy*, 27 J. SOC. POL'Y 37, 40 (1998).
[66] Frank Perez, *Reagan and Neoliberalism: Foundational Policies That Encourage the Creation of the Homeless Industrial Complex*, (Preprint, Feb. 7, 2025), https://www.researchgate.net/publication/388800232.

significantly reduced as a result of the OBRA-81 programmatic changes.[67] By late 1985, around 75 percent of unemployed people were not receiving any form of unemployment insurance.[68] At a time when housing costs were rising and jobs were harder to obtain,[69] cuts in federal benefits and social safety net programs put those who were struggling in even more dire situations.

The vast majority of the homeless population (82 percent) consisted of single adults and very few public benefits were designed for that population.[70] Furthermore, homeless individuals in the 1980s were less likely to receive benefits, even those they were eligible for.[71] Some homeless people lost benefits when eligibility standards changed, some were unable to physically or cognitively navigate the complex process of applying for and maintaining benefits, while others were disqualified because they lacked a permanent address.[72] Able-bodied adults without dependents were only eligible for food stamps, but between 1981 and 1982, over a million individuals lost this benefit too, and even more took a substantial cut to their benefit amounts.[73]

Overall, throughout the 1980s, the few benefits available to low-income and homeless individuals became increasingly ineffective at pulling people out of poverty and increasingly challenging to qualify for.[74] Scholars widely agree that OBRA-81 increased poverty rates in the United States;[75] by 1985, even the House Committee on Government Operations declared that cuts to federal assistance programs were a major factor driving the rise in homelessness across the United States.[76]

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[67] MARTHA R. BURT, OVER THE EDGE: THE GROWTH OF HOMELESSNESS IN THE 1980S 84–86 (Russell Sage Found., 1992), http://www.jstor.org/stable/10.7758/978161044.

[68] Jennifer R. Wolch & Andrea Akita, *The Federal Response to Homelessness and Its Implications for American Cities*, 10 URB. GEOGRAPHY 70 (1989).

[69] MARTHA R. BURT, OVER THE EDGE: THE GROWTH OF HOMELESSNESS IN THE 1980S 35 (Russell Sage Found., 1992), http://www.jstor.org/stable/10.7758/978161044.

[70] MARTHA R. BURT, OVER THE EDGE: THE GROWTH OF HOMELESSNESS IN THE 1980S 59, 83 (Russell Sage Found., 1992), http://www.jstor.org/stable/10.7758/978161044.

[71] MARTHA R. BURT, OVER THE EDGE: THE GROWTH OF HOMELESSNESS IN THE 1980S 82–106 (Russell Sage Found., 1992), http://www.jstor.org/stable/10.7758/978161044.

[72] Victoria C. Spetter, *As Government Assistance Decreases, Homelessness Increases: A Closer Look at Welfare, Housing and Homelessness*, 3 HYBRID 111, 117–19 (1996).

[73] MARTHA R. BURT, OVER THE EDGE: THE GROWTH OF HOMELESSNESS IN THE 1980S 91–92 (Russell Sage Found., 1992), http://www.jstor.org/stable/10.7758/978161044.

[74] MARTHA R. BURT, OVER THE EDGE: THE GROWTH OF HOMELESSNESS IN THE 1980S 68 (Russell Sage Found., 1992), http://www.jstor.org/stable/10.7758/978161044.

[75] Sheldon Danziger, *Budget Cuts as Welfare Reform*, 73 AM. ECON. REV. 65, 65 (1983).

[76] Jennifer R. Wolch & Andrea Akita, *The Federal Response to Homelessness and Its Implications for American Cities*, 10 URB. GEOGRAPHY 73(1989) (citing U.S. Congress, House Comm. on Gov't Operations, 1986, at 6).

C. Reaganomics shredded the housing safety net through austerity

These neoliberal[77] budget priorities were further reflected in how the Reagan administration shaped housing policy. The administration's goals can be summed up as a "two-pronged" approach: housing tax subsidies for the wealthy and relying on an unregulated private market for the poor.[78]

The administration sought housing tax subsidies for the wealthy and relied on an unregulated private market for the poor.

Throughout the 1980s, the federal budget for subsidized housing dropped 80 percent, from $32 billion to $6 billion.[79] In short, Reagan all but pulled the federal government out of building new public and affordable housing.[80] In 1979, the federal government built 357,600 units of affordable housing. In 1982, that number fell over 99% to a mere 2,360.[81] Many in Congress tried to push for more production funding, but the 1985 Gramm-Rudman-Hollings Deficit Reduction Act limited those efforts by cutting funds from projects that were still pending contracts.[82] This act prevented about 265,000 planned public housing units from being built and was a key factor in the U.S. Department of Housing and Urban Development's (HUD) 60 percent budget reduction during Reagan's first term.[83] Overall, due to gentrification and changes in housing policy from 1973 to 1983, 4.5 million affordable rental units "disappeared" from the market.[84]

These changes reflected the "Reaganomics" belief that the free market would produce affordable solutions to the homelessness crisis.[85] However, without government subsidies and their accompanying requirements, leasing affordable housing was no longer a profitable decision for building owners and landlords.[86] This outcome, combined with the loss of other affordable housing units, such as Single Room Occupancy units (low-cost rentals where tenants

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[77] "Neoliberalism" refers to "free-market economics and a substantially lower level of government involvement in society and the economy." Alicia Larons, *Neoliberalism* (2025), EBSCO Info. Servs., https://www.ebsco.com/research-starters/diplomacy-and-international-relations/neoliberalism.

[78] Beth A. Rubin, James D. Wright & Joel A. Devine, *Unhousing the Urban Poor: The Reagan Legacy*, 19 J. Socio. & Soc. Welfare 111, 123 (1992).

[79] Martha R. Burt, Over The Edge: The Growth Of Homelessness In The 1980s 24, 49 (Russell Sage Found., 1992), http://www.jstor.org/stable/10.7758/978161044.

[80] Beth A. Rubin, James D. Wright & Joel A. Devine, *Unhousing the Urban Poor: The Reagan Legacy*, 19 J. Socio. & Soc. Welfare 111, 137 (1992).

[81] Laura Riley, Homeless Advocacy 5 (Carolina Acad. Press 2003)

[82] Rosemary Nonye Ndubuizu, *Reagan's Austerity Bureaucrats: Examining the Racial and Gender Bias of Ronald Reagan's Housing Vouchers,* 16 Du Bois Rev.: Soc. Sci. Rsch. On Race 535, 547 (2019).

[83] Rosemary Nonye Ndubuizu, *Reagan's Austerity Bureaucrats: Examining the Racial and Gender Bias of Ronald Reagan's Housing Vouchers,* 16 Du Bois Rev.: Soc. Sci. Rsch. On Race 535, 547 (2019).

[84] Victoria C. Spetter, *As Government Assistance Decreases, Homelessness Increases: A Closer Look at Welfare, Housing and Homelessness*, 3 Hybrid 111, 125 (1996).

[85] Beth A. Rubin, James D. Wright & Joel A. Devine, *Unhousing the Urban Poor: The Reagan Legacy*, 19 J. Socio. & Soc. Welfare 111, 145 (1992).

[86] Beth A. Rubin, James D. Wright & Joel A. Devine, *Unhousing the Urban Poor: The Reagan Legacy*, 19 J. Socio. & Soc. Welfare 111, 135 (1992).

rent individual rooms and share some facilities, such as kitchens or bathrooms), made affordable housing increasingly scarce.[87] The Reagan administration continued to provide Section 8 housing vouchers (federal rent subsidies for low-income tenants), but the low value of the voucher relative to rent costs, along with an increase in required rent payments by recipients, meant that the vouchers provided little purchasing power to influence the private rental market.[88] Ultimately, many Section 8 voucher recipients were unable to find qualifying units and were forced to forfeit the voucher, unused.[89]

Meanwhile, the Reagan administration continued to provide mortgage interest tax deductions, which dwarfed HUD expenditures on low-income housing.[90] In 1988 alone, HUD lost a potential $50 billion through this program.[91] Yet the proportion of households able to purchase homes during this time fell despite such tax credits, as low- and middle-income households shrank in size, struggled with stagnant wages, and faced rising housing costs compared with prior decades.[92] Fewer families moved out of the rental market, and the growing number of higher-income renters pushed rent prices higher.[93] These impacts stressed the rental market, squeezing the lowest income households out of it completely. Together, these policies dismantled the postwar housing safety net and entrenched reliance on temporary relief rather than structural affordability.

D. Stop-gap policies normalized emergency relief over structural solutions

In the early 1980s, the Reagan administration's position was that homelessness was a local problem, not a federal one.[94] But as it became increasingly visible, the federal response centered on short-term relief and "stop-gap measures" rather than homelessness prevention or housing production. Initially, the Federal Emergency Management Agency's (FEMA's) disaster-style grants framed homelessness as a temporary crisis to manage with food and shelter. Then, facing Democratic control of Congress in 1986 and mounting pressure from advocates nationwide, Reagan reluctantly signed the 1987 Stewart B. McKinney Act (now the McKinney-Vento Act) into law[95] only after the provisions most likely to address structural causes of

[87] Beth A. Rubin, James D. Wright & Joel A. Devine, *Unhousing the Urban Poor: The Reagan Legacy*, 19 J. SOCIO. & SOC. WELFARE 111, 133 (1992).
[88] Beth A. Rubin, James D. Wright & Joel A. Devine, *Unhousing the Urban Poor: The Reagan Legacy*, 19 J. SOCIO. & SOC. WELFARE 111, 127, 133 (1992).
[89] Beth A. Rubin, James D. Wright & Joel A. Devine, *Unhousing the Urban Poor: The Reagan Legacy*, 19 J. SOCIO. & SOC. WELFARE 111, 127, 133 (1992).
[90] Beth A. Rubin, James D. Wright & Joel A. Devine, *Unhousing the Urban Poor: The Reagan Legacy*, 19 J. SOCIO. & SOC. WELFARE 111, 136 (1992).
[91] Beth A. Rubin, James D. Wright & Joel A. Devine, *Unhousing the Urban Poor: The Reagan Legacy*, 19 J. SOCIO. & SOC. WELFARE 111, 136 (1992).
[92] MARTHA R. BURT, OVER THE EDGE: THE GROWTH OF HOMELESSNESS IN THE 1980S 35 (Russell Sage Found., 1992), http://www.jstor.org/stable/10.7758/978161044.
[93] MARTHA R. BURT, OVER THE EDGE: THE GROWTH OF HOMELESSNESS IN THE 1980S 39 (Russell Sage Found., 1992), http://www.jstor.org/stable/10.7758/978161044.
[94] Tim Grasser, *Title V of the Stewart B. McKinney Homeless Assistance Act: Local Communities Often Blinded by the Right*, 83 WASH. U. L. Q. 1905, 1908 (2005).
[95] Tim Grasser, *Title V of the Stewart B. McKinney Homeless Assistance Act: Local Communities Often Blinded by the Right*, 83 WASH. U. L. Q. 1905, 1908 (2005).

homelessness were removed to secure passage.[96] McKinney's Title IV formalized FEMA's approach by scaling service-heavy, transitional programs. Together, these efforts expanded temporary capacity but did little to increase permanent housing or address the structural drivers of homelessness.

1. FEMA's disaster framework could not deliver long-term solutions

The government's first formal response to homelessness in 1983 was FEMA's Emergency Food and Shelter Program (EFSP), which treated the issue as a disaster rather than a housing problem. FEMA initially received $100 million[97] through the Temporary Emergency Food Assistance Act of 1983 for food and shelter assistance for homeless individuals, with Congress authorizing a total of $370 million between 1983 and 1987.[98] Many critics, including FEMA itself, questioned the decision to put the only formal federal response in the hands of an organization designed to implement short-term responses to natural disasters.[99] Furthermore, the money that FEMA distributed to state governments and nonprofits to assist with homelessness came with restrictions from the Reagan administration: funds could not be used to repair shelters or buy new appliances, and only a small percentage of the funding could be used to cover utility costs for shelters.[100] State governors critiqued these restrictions, calling the program "unworkable."[101] The restrictions are indicative of the government's largely punitive approach to poverty, implying if the emergency shelters people were offered were uncomfortable and uninhabitable, they would be less encouraged to remain "dependent" on government aid.[102]

FEMA funds made emergency shelters uncomfortable and uninhabitable to supposedly decrease "dependen[cy]" on government aid.

Repeatedly, FEMA tried to remove itself from the duty of administering EFSP, and recommended transferring oversight to other agencies, without success.[103] Rather than

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[96] Rob Rosenthal & Maria Foscarinis, *Responses to Homelessness: Past Policies, Future Directions, and a Right to Housing*, in *A Right to Housing: Foundation for a New Social Agenda* 316 (Rachel G. Bratt, Michael E. Stone & Chester Hartman eds., Temple Univ. Press 2006).

[97] Robert Pear, *U.S. Seen Curbing Help for Homeless*, N.Y. TIMES, June 12, 1983, at 39, https://www.nytimes.com/1983/06/12/us/us-seen-curbing-help-for-homeless.html.

[98] Jennifer R. Wolch & Andrea Akita, *The Federal Response to Homelessness and Its Implications for American Cities*, 10 URB. GEOGRAPHY 62, 74 (1989).

[99] Jennifer R. Wolch & Andrea Akita, *The Federal Response to Homelessness and Its Implications for American Cities*, 10 URB. GEOGRAPHY 62, 74 (1989).

[100] Robert Pear, *U.S. Seen Curbing Help for Homeless*, N.Y. TIMES, June 12, 1983, at 39, https://www.nytimes.com/1983/06/12/us/us-seen-curbing-help-for-homeless.html.

[101] Robert Pear, *U.S. Seen Curbing Help for Homeless*, N.Y. TIMES, June 12, 1983, at 39, https://www.nytimes.com/1983/06/12/us/us-seen-curbing-help-for-homeless.html.

[102] John O'Connor, *US Social Welfare Policy: The Reagan Record and Legacy*, 27 J. SOC. POL'Y 37, 55 (1998).

[103] Jennifer R. Wolch & Andrea Akita, *The Federal Response to Homelessness and Its Implications for American Cities*, 10 URB. GEOGRAPHY 62, 74 (1989).

focusing on long-term solutions, the federal government set up only a short-term emergency response centered on shelter beds and food.[104] States struggled to address the root causes on their own, as their approach usually consisted of passing federal funding onto local organizations that primarily supplied emergency services.[105]

2. *The McKinney Act institutionalized emergency relief over structural prevention and housing rights*

Building on FEMA-style stopgaps, McKinney's Title IV programs locked federal homelessness policy into minimally effective emergency relief and short-term placements, sidelining prevention, permanent housing, and enforceable rights.[106] Congress framed McKinney's homeless assistance efforts as a coordinated response across federal, state, local, private, and voluntary actors, with the stated goal of promoting "self-sufficiency" and independent living through work readiness, income, and education supports.[107] Title IV created roughly twenty programs across nine federal agencies. Between 1987 and 1994, about $5.1 billion was distributed through a mix of block[108] and competitive grants. During that period, HUD administered five major programs that together controlled about $3.1 billion.[109]

HUD reported that one McKinney program, Supplemental Assistance for Facilities to Assist the Homeless, which offered flexible grants primarily for services and operating costs, leveraged about two dollars for every federal dollar spent and, in 1987 and 1990, supported roughly 2,400 individuals and 5,100 households per year in transitional and permanent housing programs.[110] McKinney's Emergency Shelter Grants Program also added approximately 7,700 shelter beds between 1987 and 1991,[111] and their Supportive Housing Demonstration Program added about 8,600 transitional units between 1987 and 1990, typically through rehabilitation or

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[104] EFSP was later re-authorized by McKinney's Title III program. EFSP is governed by a National Board. The FEMA Administrator chairs the board, while the board itself is statutorily required to have members from at least six different charity organizations. United Way is the fiscal agent of this EFSP funding. *FEMA's Emergency Food and Shelter Program (EFSP)* (Apr. 4, 2024), https://www.congress.gov/crs-product/IF12026 (last visited Nov. 20, 2025).

[105] U.S. GEN. ACCT. OFF., GAO/HRD-85-40, *Homelessness: A Complex Problem and the Federal Response* at 43 (1985).

[106] U.S. DEP'T OF HOUS. & URB. DEV. & JAMES HOBEN, REVIEW OF STEWART B. MCKINNEY HOMELESS ASSISTANCE PROGRAMS ADMINISTERED BY HUD: A REPORT TO CONGRESS, at "Introduction: Legislative History and Synopsis of McKinney Programs and HUD Administration" (1995), https://www.huduser.gov/portal/publications/homeless/mckinney.html (last visited Nov. 20, 2025).

[107] U.S. DEP'T OF HOUS. & URB. DEV. & JAMES HOBEN, REVIEW OF STEWART B. MCKINNEY HOMELESS ASSISTANCE PROGRAMS ADMINISTERED BY HUD: A REPORT TO CONGRESS, at "Conclusions: Overview." (1995), https://www.huduser.gov/portal/publications/homeless/mckinney.html (last visited Nov. 20, 2025).

[108] "Block" grants are used by the federal government to provide state and local governments a specified amount of funding that assists them in addressing broad purposes, the thought being that state and local governments have greater flexibility in the use of these funds than under categorical grants. Congressional Research Service, *Block Grants: Perspectives and Controversies* (updated July 15, 2014), https://www.congress.gov/crs_external_products/R/PDF/R40486/R40486.17.pdf.

[109] U.S. DEP'T OF HOUS. & URB. DEV. & JAMES HOBEN, REVIEW OF STEWART B. MCKINNEY HOMELESS ASSISTANCE PROGRAMS ADMINISTERED BY HUD: A REPORT TO CONGRESS, at "Introduction: Legislative History and Synopsis of McKinney Programs and HUD Administration" (1995), https://www.huduser.gov/portal/publications/homeless/mckinney.html (last visited Nov. 20, 2025).

[110] U.S. DEP'T OF HOUS. & URB. DEV. & JAMES HOBEN, REVIEW OF STEWART B. MCKINNEY HOMELESS ASSISTANCE PROGRAMS ADMINISTERED BY HUD: A REPORT TO CONGRESS, at "Program Evaluations: Supplemental Assistance to Facilities to Assist the Homeless" (1995), https://www.huduser.gov/portal/publications/homeless/mckinney.html (last visited Nov. 20, 2025).

[111] U.S. DEP'T OF HOUS. & URB. DEV. & JAMES HOBEN, REVIEW OF STEWART B. MCKINNEY HOMELESS ASSISTANCE PROGRAMS ADMINISTERED BY HUD: A REPORT TO CONGRESS, at "Program Evaluations: Emergency Shelter Grants Program (ESG)" (1995), https://www.huduser.gov/portal/publications/homeless/mckinney.html (last visited Nov. 20, 2025).

conversion projects with average stays of approximately nine months.[112] Permanent housing, however, remained minimal: between 1987 and 1990, HUD's accounting showed only about 2,640 units added to the market, primarily through the adaptive reuse of vacant hotels, YMCAs, and schools rather than new construction.[113]

Despite these outputs, McKinney programs showed little improvement in employment and income metrics and had structural issues that limited their effectiveness.[114] Even with the leveraged funds and modest gains of new housing units, HUD's own evaluation acknowledged the built-in constraints of the model.[115] Chronic underfunding, administrative complexity, and program fragmentation made it difficult for providers to plan long-term and for clients to enter and move through programs; put differently, McKinney helped more people move through shelters but not out of homelessness.[116] HUD's 1995 review, which relied on 1987–1991 program data, recommended consolidating and simplifying its fragmented homelessness initiatives to improve access and outcomes, acknowledging that the programs, as designed and funded, could not deliver lasting housing security.[117]

E. Federal "efforts" were more performative than interventionist

Beyond the emergency programs codified in McKinney Title IV, the federal government also launched a handful of largely symbolic initiatives meant to show responsiveness without pursuing structural reform. First, McKinney's Title V program, offering no-cost federal property to homeless service providers, lacked sufficient capital, timelines, and enforcement to be effective. Then, the Department of Health and Human Services (HHS) taskforce and awareness campaigns acknowledged the crisis without meaningful authority or accompanying policy shifts.

1. Property redistribution without enforcement or funding proved toothless

Like the Title IV service grants, Title V offered a no-cash workaround rather than direct capital for permanent housing.[118] Congress aimed to address the lack of shelter space, which it

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[112] U.S. DEP'T OF HOUS. & URB. DEV. & JAMES HOBEN, REVIEW OF STEWART B. MCKINNEY HOMELESS ASSISTANCE PROGRAMS ADMINISTERED BY HUD: A REPORT TO CONGRESS, at "Program Evaluations: Supportive Housing Demonstration Program (SHDP)" (1995), https://www.huduser.gov/portal/publications/homeless/mckinney.html (last visited Nov. 20, 2025).

[113] U.S. DEP'T OF HOUS. & URB. DEV. & JAMES HOBEN, REVIEW OF STEWART B. MCKINNEY HOMELESS ASSISTANCE PROGRAMS ADMINISTERED BY HUD: A REPORT TO CONGRESS, at "Program Evaluations: Supportive Housing Demonstration Program (SHDP), Section 8 Moderate Rehabilitation for Single-Room Occupancy Dwellings (SROs)" (1995), https://www.huduser.gov/portal/publications/homeless/mckinney.html (last visited Nov. 20, 2025).

[114] U.S. DEP'T OF HOUS. & URB. DEV. & JAMES HOBEN, REVIEW OF STEWART B. MCKINNEY HOMELESS ASSISTANCE PROGRAMS ADMINISTERED BY HUD: A REPORT TO CONGRESS, at "Conclusions," "Introduction: HUD's Homeless Programs: Elements of a Support Continuum" (1995), https://www.huduser.gov/portal/publications/homeless/mckinney.html (last visited Nov. 20, 2025).

[115] U.S. DEP'T OF HOUS. & URB. DEV. & JAMES HOBEN, REVIEW OF STEWART B. MCKINNEY HOMELESS ASSISTANCE PROGRAMS ADMINISTERED BY HUD: A REPORT TO CONGRESS, at "Conclusions," "Introduction: HUD's Homeless Programs: Elements of a Support Continuum" (1995), https://www.huduser.gov/portal/publications/homeless/mckinney.html (last visited Nov. 20, 2025).

[116] U.S. DEP'T OF HOUS. & URB. DEV. & JAMES HOBEN, REVIEW OF STEWART B. MCKINNEY HOMELESS ASSISTANCE PROGRAMS ADMINISTERED BY HUD: A REPORT TO CONGRESS, at "Conclusions," "Introduction: HUD's Homeless Programs: Elements of a Support Continuum" (1995), https://www.huduser.gov/portal/publications/homeless/mckinney.html (last visited Nov. 20, 2025).

[117] U.S. DEP'T OF HOUS. & URB. DEV. & JAMES HOBEN, REVIEW OF STEWART B. MCKINNEY HOMELESS ASSISTANCE PROGRAMS ADMINISTERED BY HUD: A REPORT TO CONGRESS, at "Conclusions," "Introduction: HUD's Homeless Programs: Elements of a Support Continuum" (1995), https://www.huduser.gov/portal/publications/homeless/mckinney.html (last visited Nov. 20, 2025).

[118] Tim Grasser, *Title V of the Stewart B. McKinney Homeless Assistance Act: Local Communities Often Blinded by the Right*, 83 WASH. U. L. Q. 1909–10 (2005).

called the "greatest obstacle" to organizations serving homeless populations.[119] Title V opened surplus federal property to homeless service providers, giving homeless-use priority over other disposal paths.[120] It authorized the government to lease or transfer full ownership of these properties to service providers.[121] The process was straightforward: HUD identified available properties, and once a service provider expressed interest, HHS held the property and evaluated the provider's application on five factors: services proposed, local need, implementation timeline, organizational experience, and financial capacity.[122]

But the statute provided no funding for building rehabilitation or operations, no enforceable timelines for agencies to act, and little guidance on how to weigh the five factors.[123] This void left providers disadvantaged in development conflicts and often bred local resentment. Title V's "first dibs" approach sometimes blindsided city leaders and developers, who saw their redevelopment plans stalled or derailed by homeless-use claims. Instead of fostering collaboration, the law deepened divisions between advocates and local governments, hardening the very opposition it was meant to overcome.[124]

In one instance, a homeless service provider applied to take over a vacant federal building also slated for a downtown revitalization project in St. Louis, Missouri.[125] With no money to make the property usable and no clear standards compelling HHS to prioritize homeless-use over redevelopment, the agency denied the application.[126] The episode underscored how, without resources or enforceable standards, Title V functioned more as symbolism than as a reliable tool for providers.

Some organizations did leverage Title V properties, with estimates suggesting roughly 100,000 people benefited from programs run in those buildings in a given year, but the program's emphasis on emergency and transitional shelters did little to expand safe, habitable, lasting housing.[127] Together, Titles IV and V expanded shelter and transitional capacity while normalizing emergency management, but without enforceable rights or durable supply, homelessness continued to grow even as the federal government claimed to be acting.

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[119] Tim Grasser, *Title V of the Stewart B. McKinney Homeless Assistance Act: Local Communities Often Blinded by the Right*, 83 WASH. U. L. Q. 1905, 1909 (2005).
[120] Tim Grasser, *Title V of the Stewart B. McKinney Homeless Assistance Act: Local Communities Often Blinded by the Right*, 83 WASH. U. L. Q. 1905, 1907, 1910–11 (2005).
[121] Tim Grasser, *Title V of the Stewart B. McKinney Homeless Assistance Act: Local Communities Often Blinded by the Right*, 83 WASH. U. L. Q. 1905, 1907, 1910–11 (2005).
[122] Tim Grasser, *Title V of the Stewart B. McKinney Homeless Assistance Act: Local Communities Often Blinded by the Right*, 83 WASH. U. L. Q. 1905, 1910–11 (2005).
[123] Tim Grasser, *Title V of the Stewart B. McKinney Homeless Assistance Act: Local Communities Often Blinded by the Right*, 83 WASH. U. L. Q. 1911 (2005).
[124] Tim Grasser, *Title V of the Stewart B. McKinney Homeless Assistance Act: Local Communities Often Blinded by the Right*, 83 WASH. U. L. Q. 1905, 1919 (2005).
[125] Tim Grasser, *Title V of the Stewart B. McKinney Homeless Assistance Act: Local Communities Often Blinded by the Right*, 83 WASH. U. L. Q. 1915–16 (2005).
[126] Tim Grasser, *Title V of the Stewart B. McKinney Homeless Assistance Act: Local Communities Often Blinded by the Right*, 83 WASH. U. L. Q. 1915–16 (2005).
[127] Tim Grasser, *Title V of the Stewart B. McKinney Homeless Assistance Act: Local Communities Often Blinded by the Right*, 83 WASH. U. L. Q. 1905, 1907, 1919 (2005).

2. The HHS Taskforce lacked an action-oriented mandate

HHS's Federal Taskforce on Housing exemplified the federal government's tendency toward symbolic acknowledgment without action. Created in 1983, the taskforce was primarily seen as a liaison between federal, state, and local entities, responsible for identifying and streamlining access to existing potential resources and providing groups with information on homelessness issues.[128] However, it did not implement new programs or push new policy agendas within the federal government.[129] In the end, the taskforce, like Title V, illustrated how federal "action" in the 1980s was more about managing perception than solving homelessness.

III. IMPACTS ON HOUSING AND HOMELESSNESS

The 1980s reshaped public perceptions of homelessness. What had once been viewed as a preventable policy failure came to be seen as an inevitable consequence of individual choices. This part argues that as emergency relief became the government's default response, systemic causes of poverty and homelessness went unaddressed. Additionally, inconsistent and incomplete data obscured the severity of the homelessness crisis, insulating policymakers from real accountability. Finally, unequal recovery deepened class and racial disparities as the decade's economic gains favored higher-income and white households while cuts to social programs and community supports entrenched poverty among low-income, Black, and Hispanic Americans.

A. Emergency expansion masked structural drivers of rising poverty and homelessness

New federal programs in the 1980s failed to create meaningful exits from poverty. Structural drivers of poverty, such as income inequality and rising housing costs, went unaddressed, pushing more people into crisis. Federal support that had once lifted households out of poverty also weakened, and by the mid-1980s, benefit programs were less effective at reducing poverty and closing the gap between poor and non-poor households.[130] Reagan's tax policies compounded this strain by increasing the tax burden on low-income households while diminishing the anti-poverty impact of federal aid programs. These policies deepened poverty rates through the early 1980s before easing slightly after the 1986 Tax Reform Act.[131]

Even as shelter capacity expanded, program evaluations found little improvement in employment or income among participants,[132] indicating that emergency expansion did not

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[128] Jennifer R. Wolch & Andrea Akita, *The Federal Response to Homelessness and Its Implications for American Cities*, 10 URB. GEOGRAPHY 62, 76 (1989).

[129] Jennifer R. Wolch & Andrea Akita, *The Federal Response to Homelessness and Its Implications for American Cities*, 10 URB. GEOGRAPHY 62, 76 (1989).

[130] MARTHA R. BURT, OVER THE EDGE: THE GROWTH OF HOMELESSNESS IN THE 1980S 68 (Russell Sage Found., 1992), http://www.jstor.org/stable/10.7758/978161044.

[131] MARTHA R. BURT, OVER THE EDGE: THE GROWTH OF HOMELESSNESS IN THE 1980S 75 (Russell Sage Found., 1992), http://www.jstor.org/stable/10.7758/978161044.

[132] U.S. DEP'T OF HOUS. & URB. DEV. & JAMES HOBEN, REVIEW OF STEWART B. MCKINNEY HOMELESS ASSISTANCE PROGRAMS ADMINISTERED BY HUD: A REPORT TO CONGRESS, at "Evaluations" (1995), https://www.huduser.gov/portal/publications/homeless/mckinney.html (last visited Nov. 20, 2025).

alter long-term outcomes. Without addressing the underlying drivers of poverty and the shortage of permanent affordable housing, more shelters and beds could only offer short-term relief.[133] The increased bed numbers allowed the Reagan administration to claim visible progress.[134] In practice, they functioned more as political cover, allowing the administration to present them as measurable outputs while diverting attention from the federal government's failure to confront the root causes of homelessness.

B. Poor data shielded policymakers from accountability

In the 1980s, methodology and knowledge gaps produced systematic undercounts of homelessness, which reduced external pressure for structural change and left advocates without standardized, credible data to rely on. HUD's evaluations of its programs relied heavily on provider self-reports and administrative records but used few rigorous studies and no national client survey.[135] This presentation made service programs look stronger in official accounts than they were in practice, especially because the data lacked direct feedback from recipients.[136] At the same time, increases in HUD's total budget (from $12.5 billion in 1980 to $22.8 billion in 1990) were touted as proof of the administration's commitment to housing and homelessness. However, those topline figures lumped all programs together and hid spending on low-income housing, which was only about $1.6 billion in 1990.[137] Homeless-specific appropriations were far smaller and weren't broken out until 1987 ($15 million), with no actual outlay reported that year.[138] Adjusted for inflation, HUD spending at decade's end was roughly the same as at its start.[139] These ambiguities enabled officials to both downplay the scale of the crisis and amplify the level of their response.

Systematic undercounts and inconsistent methods also made homelessness look smaller and less urgent than it was, further shielding policymakers from accountability, often for political ends. There was no consistent methodology for measuring homelessness in the 1980s; estimates varied widely, and official figures were often contested. Between 1984 and 1987, estimates of the national homeless population's size ranged from roughly 200,000–500,000 people to 3.5 million people, depending on whether the source was HUD, the Urban Institute,

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[133] U.S. DEP'T OF HOUS. & URB. DEV. & JAMES HOBEN, REVIEW OF STEWART B. MCKINNEY HOMELESS ASSISTANCE PROGRAMS ADMINISTERED BY HUD: A REPORT TO CONGRESS, at "Evaluations" (1995), https://www.huduser.gov/portal/publications/homeless/mckinney.html (last visited Nov. 20, 2025).

[134] U.S. DEP'T OF HOUS. & URB. DEV. & JAMES HOBEN, REVIEW OF STEWART B. MCKINNEY HOMELESS ASSISTANCE PROGRAMS ADMINISTERED BY HUD: A REPORT TO CONGRESS, at "Evaluations" (1995), https://www.huduser.gov/portal/publications/homeless/mckinney.html (last visited Nov. 20, 2025).

[135] U.S. DEP'T OF HOUS. & URB. DEV. & JAMES HOBEN, REVIEW OF STEWART B. MCKINNEY HOMELESS ASSISTANCE PROGRAMS ADMINISTERED BY HUD: A REPORT TO CONGRESS, at "Evaluations," "Introduction: Report Objective" (1995), https://www.huduser.gov/portal/publications/homeless/mckinney.html (last visited Nov. 20, 2025).

[136] U.S. DEP'T OF HOUS. & URB. DEV. & JAMES HOBEN, REVIEW OF STEWART B. MCKINNEY HOMELESS ASSISTANCE PROGRAMS ADMINISTERED BY HUD: A REPORT TO CONGRESS, at "Evaluations," "Introduction: Report Objective" (1995), https://www.huduser.gov/portal/publications/homeless/mckinney.html (last visited Nov. 20, 2025).

[137] Beth A. Rubin, James D. Wright & Joel A. Devine, *Unhousing the Urban Poor: The Reagan Legacy*, 19 J. SOCIO. & SOC. WELFARE 111, 112 (1992).

[138] Beth A. Rubin, James D. Wright & Joel A. Devine, *Unhousing the Urban Poor: The Reagan Legacy*, 19 J. SOCIO. & SOC. WELFARE 111, 115 (1992).

[139] Beth A. Rubin, James D. Wright & Joel A. Devine, *Unhousing the Urban Poor: The Reagan Legacy*, 19 J. SOCIO. & SOC. WELFARE 111, 112, 115 (1992).

or the Community for Creative Non-Violence, underscoring how poorly the problem was measured.[140] Even at the low end, the numbers were large, but the ambiguity minimized the perceived severity of homelessness.

Furthermore, indicators of economic recovery, like falling unemployment in the late 1980s,[141] looked like progress but obscured the fact that poverty stayed above its pre-1980 baseline (about 12.8 percent in 1989[142] versus roughly 11.7 percent in 1979[143]) and that the homelessness crisis had worsened by the end of the decade.[144] Harms like the weakened housing and income safety net were concentrated among low-income Americans and disproportionately affected Black and other minority households,[145] a reality that drew less urgency from policymakers and reduced the intensity of the overall response.

The weakened housing and income safety net primarily harmed Black and low-income households.

C. Unequal recovery entrenched class and racial disparities

The gains of the 1980s "recovery" were not shared equally. Poverty deepened in many cities even as national economic indicators improved, and most benefits went to higher-income households. Cuts fell hardest on income supports and stability-building programs like education, job training, and community-based social services, while broad programs reaching the middle class were largely protected.[146] Many anti-poverty programs were reduced by more than 20 percent, weakening the safety net just as need rose.[147]

The disparate impacts of these cuts further compounded racial disparities. Because a larger share of Black households were poor,[148] and because public-sector jobs had driven Black employment gains, cutbacks reduced both transfers and employment disproportionately in

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[140] MARTHA R. BURT, OVER THE EDGE: THE GROWTH OF HOMELESSNESS IN THE 1980S 3 (Russell Sage Found., 1992), http://www.jstor.org/stable/10.7758/978161044.

[141] U.S. BUREAU OF LAB. STAT., *Figure 1. Unemployment Rate and Timing of Changes to Current Population Survey Measurement, 1940–2017*, https://www.bls.gov/opub/mlr/2018/images/data/haugen-figure1.stm (last visited Nov. 3, 2025).

[142] U.S. CENSUS BUREAU, *Poverty in the United States: 1988 and 1989*, Current Population Reports, Series P-60, No. 171 (June 1991), https://www.census.gov/library/publications/1991/demo/p60-171.html (last visited Nov. 5, 2025).

[143] U.S. CENSUS BUREAU, *Money Income and Poverty Status of Families and Persons in the United States: 1979 (Advance Report)*, Current Population Rep., Series P-60, No. 125 (Oct. 1980), https://www.census.gov/library/publications/1991/demo/p60-171.html (last visited Nov. 5, 2025).

[144] Beth A. Rubin, James D. Wright & Joel A. Devine, *Unhousing the Urban Poor: The Reagan Legacy*, 19 J. SOCIO. & SOC. WELFARE 111, 112 (1992).

[145] Sheldon Danziger & Robert Haveman, *The Reagan Administration's Budget Cuts: Their Impact on the Poor*, 5 FOCUS 13, 14–15 (1981-1982), https://www.irp.wisc.edu/publications/focus/pdfs/foc52b.pdf.

[146] Sheldon Danziger & Robert Haveman, *The Reagan Administration's Budget Cuts: Their Impact on the Poor*, 5 FOCUS 13, 14 (1981–1982), https://www.irp.wisc.edu/publications/focus/pdfs/foc52b.pdf.

[147] Sheldon Danziger & Robert Haveman, *The Reagan Administration's Budget Cuts: Their Impact on the Poor*, 5 FOCUS 13, 14 (1981–1982), https://www.irp.wisc.edu/publications/focus/pdfs/foc52b.pdf.

[148] Eugene Smolensky, *Poverty in the United States: Where Do We Stand?*, 5 FOCUS 1, 4 (1981–1982), https://www.irp.wisc.edu/publications/focus/pdfs/foc52.pdf.

Black communities.[149] Single-mother households, one of the lowest-income and fastest-growing demographic groups, were especially hard hit, losing both public assistance income and work supports as program cuts deepened poverty.[150] Hispanic households faced similar income and employment pressures, magnified by rising housing costs and limited access to durable supports.[151] These outcomes were sustained by the free-market ideology and "choice" rhetoric that recast poverty as personal failure and charity as policy, making the unequal recovery politically durable. Racialized narratives like the "welfare queen" trope cast aid recipients as undeserving, priming the public for punitive, criminalizing responses to visible poverty and homelessness.

IV. LEGAL & ADVOCACY IMPLICATIONS FOR THE NEXT ERA

In the 1980s, the government's approach to homelessness changed in lasting ways. Federal policy ignored prevention-oriented policies in favor of emergency management, accepting homelessness as a permanent part of society rather than a problem to be solved. It also weakened the ties between tenants and landlords, making housing advocacy harder, and encouraged research that blamed individuals instead of economic and housing failures. These shifts reshaped housing and welfare policy for decades, setting a pattern that still defines how the nation responds to homelessness today.

A. Federal engagement accepted homelessness as permanent condition rather than preventable crisis

As shown through both the FEMA-coordinated response in the mid-1980s and the passage of the McKinney Act, the federal government's approach to aid for the homeless centered on emergency relief. The new programs provided temporary shelter and food but did not take actionable steps toward creating long-term affordable housing or implementing preventative measures.[152] While this was a step above the government's early-1980s strategy of denying the crisis outright, the focus on emergency aid, as opposed to systemic solutions to address poverty, implied an acceptance of homelessness as a lasting condition in the United States.[153]

This change, combined with the era's shift to a narrower definition of homelessness (from household detachment[154] to literal rooflessness), matters because it influences how

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[149] Sheldon Danziger & Robert Haveman, *The Reagan Administration's Budget Cuts: Their Impact on the Poor*, 5 FOCUS 13, 14 (1981–1982), https://www.irp.wisc.edu/publications/focus/pdfs/foc52b.pdf.

[150] Sheldon Danziger & Robert Haveman, *The Reagan Administration's Budget Cuts: Their Impact on the Poor*, 5 FOCUS 13, 14 (1981–1982), https://www.irp.wisc.edu/publications/focus/pdfs/foc52b.pdf.

[151] Eugene Smolensky, *Poverty in the United States: Where Do We Stand?*, 5 FOCUS 1, 4 (1981–1982), https://www.irp.wisc.edu/publications/focus/pdfs/foc52.pdf.

[152] Rob Rosenthal & Maria Foscarinis, *Responses to Homelessness: Past Policies, Future Directions, and a Right to Housing*, in *A Right to Housing: Foundation for a New Social Agenda* 13 (Rachel G. Bratt, Michael E. Stone & Chester Hartman eds., Temple Univ. Press 2006).

[153] Rob Rosenthal & Maria Foscarinis, *Responses to Homelessness: Past Policies, Future Directions, and a Right to Housing*, in *A Right to Housing: Foundation for a New Social Agenda* 12–14 (Rachel G. Bratt, Michael E. Stone & Chester Hartman eds., Temple Univ. Press 2006).

[154] MARTHA R. BURT, OVER THE EDGE: THE GROWTH OF HOMELESSNESS IN THE 1980S 107 (Russell Sage Found. 1992).

people see the causes of homelessness and the ways to solve it.[155] By redefining homelessness as living entirely without shelter, attention shifted away from long-term solutions focused on affordable and adequate housing and toward short-term responses to the most "dire" conditions, such as hunger and exposure to harsh weather. The Reagan administration's approach to homelessness permanently shifted the American framework for welfare and housing policy.

B. Advocates faced strategic dilemmas as federal policy weakened tenant-landlord solidarity

The Reagan administration's move away from building public housing to relying on housing vouchers disrupted the existing solidarity between landlords and tenants.[156] As landlords had fewer incentives to rent to or protect low-income tenants, and as tenants had fewer affordable housing options available, they were unable to build lasting relationships that once supported advocacy for affordable housing. Landlords, now more reliant on market-rate renters and less tied to federal programs, offered very little resistance towards affordable housing policy changes that came out of the Reagan administration.[157] This left low-income tenants and homeless people scrambling to organize against policy changes that were actively and increasingly pushing them out of housing and stretching their already thin resources.

C. Lack of scholarship pushed the deinstitutionalization narrative

The federal inattention to homelessness also led to a lack of diverse research and scholarship. Scant federally funded research found that roughly one-third of the homeless population had a serious mental illness and about 46 percent had a substance-use disorder.[158] This research was sparked by questions over the impact of deinstitutionalization on homelessness, as scholars in the 1980s debated whether homelessness was primarily the result of individual pathology, such as serious mental illness or substance use, or broader structural and economic forces.[159]

However, these research studies lacked the methodological soundness to determine if homelessness was driving mental illness or vice versa.[160] In the aftermath of deinstitutionalization, large numbers of people from psychiatric hospitals were released without providing the promised community-based housing and treatment, creating service gaps that increased vulnerability.[161] But while this shift left many people at risk, it was not the main

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[155] Kim Hopper, *Homelessness Old and New: The Matter of Definition*, 2 HOUS. POL'Y DEBATE 9, 26 (1991).
[156] Rosemary Nonye Ndubuizu, *Reagan's Austerity Bureaucrats: Examining the Racial and Gender Bias of Ronald Reagan's Housing Vouchers,* 16 DU BOIS REV.: SOC. SCI. RSCH. ON RACE 535, 540 (2019).
[157] Rosemary Nonye Ndubuizu, *Reagan's Austerity Bureaucrats: Examining the Racial and Gender Bias of Ronald Reagan's Housing Vouchers,* 16 DU BOIS REV.: SOC. SCI. RSCH. ON RACE 535, 540 (2019).
[158] Marian Moser Jones, *Creating a Science of Homelessness During the Reagan Era*, 93 MILBANK Q. 139, 157 (2015).
[159] Frank Perez, *Reagan and Neoliberalism: Foundational Policies That Encourage the Creation of the Homeless Industrial Complex*, (Preprint, Feb. 7, 2025), https://www.researchgate.net/publication/388800232.
[160] Marian Moser Jones, *Creating a Science of Homelessness During the Reagan Era*, 93 MILBANK Q. 139, 158 (2015).
[161] Marian Moser Jones, *Creating a Science of Homelessness During the Reagan Era*, 93 MILBANK Q. 139, 152 (2015).

driver of the emerging homelessness crisis, despite the popular narrative these studies promoted.[162]

Overall findings suggested that although individual conditions were a contributing factor, the decisive causes of homelessness lay in structural dynamics coupled with the defunding of residential treatment programs, especially the shortage of affordable housing and the mismatch between rent levels and low, stagnating wages.[163] The popular narrative had already taken root, however, and further entrenched the idea that individual factors were the cause of homelessness over structural failures.

The shortage of affordable housing and low, stagnating wages drove people to lose their homes.

V. CONCLUSION

In sum, the 1980s had disastrous, long-term effects on the poor and homeless in America. Under the guise of economic recovery and promoting "personal responsibility," the Reagan administration slashed social spending, both reducing the dollar amount allocated to public benefits and changing eligibility standards to remove hundreds of thousands of people from government aid. These changes hit the lowest-income Americans the hardest, particularly Black and Brown households, placing already vulnerable people at increased risk for homelessness. Reagan also pulled the government out almost entirely from the business of building affordable housing. This retreat, coupled with changing tax incentives that cut public benefits and favored private markets, triggered a widespread shortage of affordable rental housing.

Rather than remedy these root issues, the government built its homelessness response through the lens of emergency relief. Both in its early, short-term efforts and in the passage of the McKinney Act, the federal government focused on providing food and shelter beds at the expense of addressing the structural causes of homelessness. These efforts scored the administration some political talking points but did little to end homelessness. As a result, by the end of the decade, the country accepted homelessness as a seemingly permanent aspect of American life, and normalized mitigating aid, rather than structural change.

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[162] Rob Rosenthal & Maria Foscarinis, *Responses to Homelessness: Past Policies, Future Directions, and a Right to Housing*, in *A Right to Housing: Foundation for a New Social Agenda* 9 (Rachel G. Bratt, Michael E. Stone & Chester Hartman eds., Temple Univ. Press 2006).

[163] Frank Perez, *Reagan and Neoliberalism: Foundational Policies That Encourage the Creation of the Homeless Industrial Complex*, (Preprint, Feb. 7, 2025), https://www.researchgate.net/publication/388800232.

The 1980s thus fundamentally changed the American welfare system, which had long-term impacts on how the government approached poverty and homelessness. The decade normalized homelessness and reoriented the public consciousness towards emergency relief as the primary method of addressing homelessness. The Reagan administration denied and masked the structural factors causing the growing crisis behind individualist rhetoric, decimating public benefits and government subsidized affordable housing in its wake. Even the McKinney Act was a modest political concession that recognized homelessness without meaningfully addressing its root causes. Thus, the 1980s cemented a legacy of federal retreat and privatized response, setting the trajectory for decades of reactive, rather than structural, approaches to homelessness that persist today.

The 1980s cemented a legacy of federal retreat and privatized response.

Chapter 2 – The 1990s: Welfare "Reform," Continued Cuts, Punitive Policies

The 1990s saw a profound restructuring of the American social safety net from the end of guaranteed federal entitlements in exchange for a decentralized system rooted in behavioral control and disinvestment.[164] This shift started from a bipartisan passage of the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996 that redefined the causes of poverty, reframing it as an issue of "personal responsibility" rather than a structural failure.[165, 166] This law ended AFDC, an entitlement-based program under which all eligible individuals were legally guaranteed benefits,[167] and replaced it with the capped, fixed-funding Temporary Assistance for Needy Families (TANF) block grant.[168]

This transformation was prompted by significant budget reductions totaling nearly $55 billion across programs for low-income families over six years.[169] PRWORA established new eligibility criteria, including work requirements and lifetime limits on federally funded

[164] Rebecca M. Blank, *What Did the 1990s Welfare Reform Accomplish?* 2–3 (Apr. 2005), http://www.economics.uni-linz.ac.at/papers/2005/wp0514.pdf; Pamela A. Holcomb & Karin Martinson, *Implementing Welfare Reform across the Nation*, Assessing the New Federalism, Occasional Paper No. A-53 (Urban Inst. Aug. 2002), https://www.urban.org/sites/default/files/publication/60196/310551-Implementing-Welfare-Reform-across-the-Nation.PDF; Rebecca M. Blank, *Welfare and the Economy*, Brookings Inst. (Sept. 2, 2001), https://www.brookings.edu/articles/welfare-and-the-economy/.

[165] Personal Responsibility and Work Opportunity Reconciliation Act of 1996, PUB. L. NO. 104-193, § 401(a)(2), 110 Stat. 2105, 2113 (1996), https://www.congress.gov/104/plaws/publ193/PLAW-104publ193.pdf (stating the purpose is to "end the dependence of needy parents on government benefits by promoting job preparation, work, and marriage").

[166] THE URB. INST., *A Decade of Welfare Reform: Facts and Figures* 1 (June 2006), https://www.urban.org/sites/default/files/publication/51136/900980-A-Decade-of-Welfare-Reform-Facts-and-Figures.PDF.

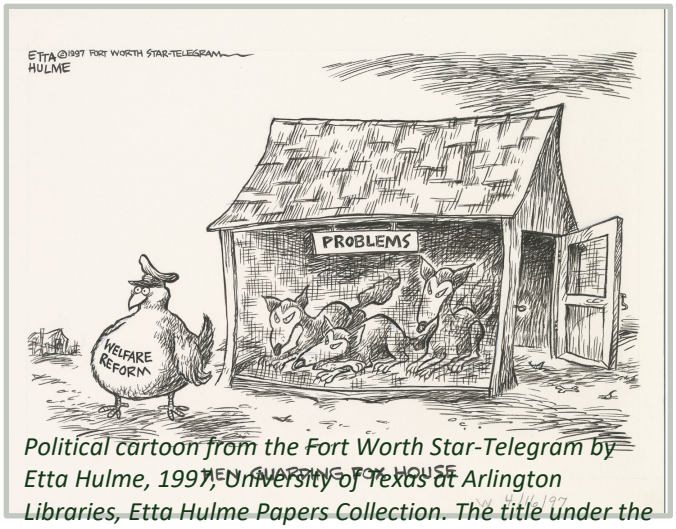
[167] U.S. DEP'T OF HEALTH & HUM. SERVS., *Aid to Families with Dependent Children (AFDC) and Temporary Assistance for Needy Families (TANF) - Overview*, https://aspe.hhs.gov/aid-families-dependent-children-afdc-temporary-assistance-needy-families-tanf-overview.

[168] Rebecca M. Blank, *What Did the 1990s Welfare Reform Accomplish?* 2–3 (Apr. 2005), http://www.economics.uni-linz.ac.at/papers/2005/wp0514.pdf.

[169] DAVID A. SUPER ET AL., CTR. ON BUDGET & POL'Y PRIORITIES, *The New Welfare Law* (Aug. 13, 1996), https://www.cbpp.org/sites/default/files/archive/WECNF813.HTM.

assistance.[170] The budget cuts also substantially affected programs like Food Stamps and explicitly excluded legal immigrants from many benefits.[171]

These policy shifts also extended into the housing sphere through measures like the "One Strike" rule, which mandated eviction of residents from subsidized housing not only for actual criminal conduct—but later, based on mere suspicion.[172] Additionally, structural deficiencies fueled a growing demand for emergency food and shelter services.[173] For instance, a contingency fund of supplemental funding for recessions proved to be inadequate compared to previous economic downturns and contributed significantly to increased household instability. These financial shortfalls and resulting hardships from policy decisions became a permanent feature of the American safety net in the 90s and going forward.



Political cartoon from the Fort Worth Star-Telegram by Etta Hulme, 1997, University of Texas at Arlington Libraries, Etta Hulme Papers Collection. The title under the image says "Hen guarding fox house." The hen is titled "Welfare reform" and there is a cage full of foxes with an open door and a sign that says "Problems." Used under

Section I of this chapter traces the policy conditions that led to a significant restructuring of the social safety net. Section II highlights the drastic changes in welfare funding for states and accompanying policies that made life even harder for the most vulnerable. Section III examines the impact of welfare reform, including driving workers into unstable, low-wage jobs, increasing housing instability, creating additional policy barriers for targeted communities, and reducing access to federal housing assistance. Section IV identifies the enduring effects of welfare reform.

I. INTRODUCTORY CONTEXT

Building on normative changes that began in the Reagan era, Welfare reform helped redefine poverty in the U.S., further transforming it from a structural condition to an individual

[170] DAVID A. SUPER ET AL., CTR. ON BUDGET & POL'Y PRIORITIES, *The New Welfare Law* (Aug. 13, 1996), https://www.cbpp.org/sites/default/files/archive/WECNF813.HTM.
[171] CTR. ON BUDGET & POL'Y PRIORITIES, *The Depth of the Food Stamp Cuts In the Final Welfare Bill* (Aug. 14, 1996), https://www.cbpp.org/sites/default/files/archive/DEPTH9.HTM; DAVID A. SUPER ET AL., CTR. ON BUDGET & POL'Y PRIORITIES, *The New Welfare Law* (Aug. 13, 1996), https://www.cbpp.org/sites/default/files/archive/WECNF813.HTM.
[172] *Housing Assistance with Respect to Fugitive Felons and Probation and Parole Violators,* Pub. L. No. 104-193, § 903(a), 110 Stat. 2105, 2348 (1996).
[173] DAVID A. SUPER ET AL., CTR. ON BUDGET & POL'Y PRIORITIES, *The New Welfare Law* (Aug. 13, 1996), https://www.cbpp.org/sites/default/files/archive/WECNF813.HTM (on inadequate contingency funds); Laura Nichols & Barbara Gault, *Implications of Welfare Reform on Housing and School Instability*, 72 J. NEGRO EDUC. 104 (2003), /https://scholarcommons.scu.edu/cgi/viewcontent.cgi?article=1001&context=soc (on reporting increased demand for emergency services); U.S. GEN. ACCT. OFF., *Welfare Reform: Issues and Possible Implications for HUD's Programs and Tenants*, GAO/RCED-97-148R, (June 16, 1997), https://www.gao.gov/assets/rced-97-148r.pdf.

moral failure. The elimination of the more than half-century-old federal cash assistance system AFDC and its replacement with TANF block grants reflected a deliberate political aim to redefine dependence as personal weakness and to decentralize responsibility for poverty to the states. This ideological shift—rooted in rhetoric about "self-reliance," "family values," and "local control"—not only dismantled long-standing federal support but also institutionalized chronic underfunding and punitive oversight as the new paradigm, under the guise of "reform." The redefinition unfolded first through the moral and political reframing justifying welfare aid reductions, and second through the structural consequences of TANF's fixed block-grant model which embedded financial fragility into the nation's social safety net.

A. Policy decisions reframed poverty causes as individual failure, rather than structural

The elimination of AFDC was the direct outcome of a political strategy to reframe poverty as a personal failing rather than a systemic and structural issue.[174] Created in 1935, AFDC guaranteed aid in the form of cash assistance to all eligible individuals, originally designed to allow mothers without a source of income to remain at home with their children.[175] However, by the late 1980s, the program faced increasing political pressure as caseload composition changed.[176] As more mothers—even those with young children—began working outside the home, non-working welfare families increasingly became a target of criticism and the program became more difficult to justify.[177]

This shift fueled anti-welfare rhetoric portraying dependency as a personal choice rather than a systemic problem and emphasized the poor should pursue "self-reliance."[178] This change in public perception provided the ideological context for Congress and President Bill Clinton to

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[174] William J. Clinton, Statement at Signing of the *Personal Responsibility and Work Opportunity Reconciliation Act of 1996* (Aug. 20, 1996); *see also* U.S. DEP'T OF HEALTH & HUM. SERVS., *Aid to Families with Dependent Children (AFDC) and Temporary Assistance for Needy Families (TANF) - Overview*, https://aspe.hhs.gov/aid-families-dependent-children-afdc-temporary-assistance-needy-families-tanf-overview; Gail L. Zellman et al., *Welfare Reform in California: State and County Implementation of CalWORKs in the First Year* 13–15 (1999), https://www.rand.org/content/dam/rand/pubs/monograph_reports/1999/MR1051.pdf; Personal Responsibility and Work Opportunity Reconciliation Act of 1996, PUB. L. NO. 104-193, § 401(a)(2), 110 Stat. 2105, 2113 (1996), https://www.congress.gov/104/plaws/publ193/PLAW-104publ193.pdf.

[175] U.S. DEP'T OF HEALTH & HUM. SERVS., Aid to Families with Dependent Children (AFDC) and Temporary Assistance for Needy Families (TANF) - Overview, https://aspe.hhs.gov/aid-families-dependent-children-afdc-temporary-assistance-needy-families-tanf-overview; *see also* Gail L. Zellman et al., *Welfare Reform in California: State and County Implementation of CalWORKs in the First Year* 8–9 (1999), https://www.rand.org/content/dam/rand/pubs/monograph_reports/1999/MR1051.pdf.

[176] Gail L. Zellman et al., *Welfare Reform in California: State and County Implementation of CalWORKs in the First Year* 9–10 (1999), https://www.rand.org/content/dam/rand/pubs/monograph_reports/1999/MR1051.pdf; Rebecca M. Blank, *What Did the 1990s Welfare Reform Accomplish?* 2 (Apr. 2005), http://www.economics.uni-linz.ac.at/papers/2005/wp0514.pdf.

[177] Gail L. Zellman et al., *Welfare Reform in California: State and County Implementation of CalWORKs in the First Year* 9–10 (1999), https://www.rand.org/content/dam/rand/pubs/monograph_reports/1999/MR1051.pdf.

[178] Laura Nichols & Barbara Gault, *Implications of Welfare Reform on Housing and School Instability*, 72 J. NEGRO EDUC. 104 (2003), https://scholarcommons.scu.edu/cgi/viewcontent.cgi?article=1001&context=soc; Gail L. Zellman et al., *Welfare Reform in California: State and County Implementation of CalWORKs in the First Year* 13 (1999), https://www.rand.org/content/dam/rand/pubs/monograph_reports/1999/MR1051.pdf; Pamela A. Holcomb & Karin Martinson, *Implementing Welfare Reform across the Nation*, Assessing the New Federalism, Occasional Paper No. A-53, 1 (Urban Inst. Aug. 2002), https://www.urban.org/sites/default/files/publication/60196/310551-Implementing-Welfare-Reform-across-the-Nation.PDF.

campaign on the promise to "end welfare as we know it."[179] It also justified the elimination of AFDC, the imposition of mandatory work requirements and time limits to aid, punitive measures like sanctions for noncompliance, and disinvestment under PRWORA.[180]

The Clinton administration established the legislative blueprint for this reform even before Congress passed the final version of PRWORA. The administration actively encouraged states to conduct welfare-to-work experiments by granting waivers of special exemptions under the Social Security Act, allowing them to bypass federal rules and test harsher conditional measures like stricter sanctions and time limits for aid.[181] By 1996, 27 states had waivers in effect, providing the necessary political and operational foundation for the national policy overhaul.[182] President Clinton's August 1995 report, *Empowerment: A New Covenant With America's Communities*, formalized this push toward decentralization, and stressed solutions "must be locally crafted" and the "days of made in Washington solutions... are gone."[183] The report linked assistance to "traditional values—hard work, family, responsibility."[184] PRWORA codified this framework by eliminating the AFDC entitlement and replacing it with the TANF block grant, explicitly ending the federal guarantee of individual entitlement to aid. [185]

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[179] Gail L. Zellman et al., *Welfare Reform in California: State and County Implementation of CalWORKs in the First Year* 13 (1999), https://www.rand.org/content/dam/rand/pubs/monograph_reports/1999/MR1051.pdf.

[180] Pamela A. Holcomb & Karin Martinson, *Implementing Welfare Reform across the Nation*, Assessing the New Federalism, Occasional Paper No. A-53, 1 (Urban Inst. Aug. 2002), https://www.urban.org/sites/default/files/publication/60196/310551-Implementing-Welfare-Reform-across-the-Nation.PDF (noting state implementation of policies designed to promote employment, including "more severe sanctions for noncompliance with welfare rules and regulations"); Personal Responsibility and Work Opportunity Reconciliation Act of 1996, PUB. L. NO. 104-193, § 401(a)(2), 110 Stat., 2105, 2113 (1996), https://www.congress.gov/104/plaws/publ193/PLAW-104publ193.pdf (requiring reduction of assistance "pro rata (or more, at the option of the State)" or to "terminate such assistance" if an individual refuses to engage in required work); *Welfare Reform: Issues and Possible Implications for HUD's Programs and Tenants*, GAO/RCED-97-148R, 7, (June 16, 1997), https://www.gao.gov/assets/rced-97-148r.pdf (stating that if the adult recipient refuses to participate in work activities, the state may reduce the family's assistance, and the penalty "can include terminating help to the entire family").

[181] Rebecca M. Blank, *What Did the 1990s Welfare Reform Accomplish?* 2 (Apr. 2005), http://www.economics.uni-linz.ac.at/papers/2005/wp0514.pdf (discussing waivers and the number of states with waivers); U.S. DEP'T OF HEALTH & HUM. SERVS., Aid to Families with Dependent Children (AFDC) and Temporary Assistance for Needy Families (TANF) - Overview, https://aspe.hhs.gov/aid-families-dependent-children-afdc-temporary-assistance-needy-families-tanf-overview (on using section 1115 waivers); Gail L. Zellman et al., *Welfare Reform in California: State and County Implementation of CalWORKs in the First Year* 9, 12 (1999), https://www.rand.org/content/dam/rand/pubs/monograph_reports/1999/MR1051.pdf

[182] Rebecca M. Blank, *What Did the 1990s Welfare Reform Accomplish?* 2 (Apr. 2005), http://www.economics.uni-linz.ac.at/papers/2005/wp0514.pdf (discussing waivers and the number of states with waivers); U.S. DEP'T OF HEALTH & HUM. SERVS., Aid to Families with Dependent Children (AFDC) and Temporary Assistance for Needy Families (TANF) - Overview, https://aspe.hhs.gov/aid-families-dependent-children-afdc-temporary-assistance-needy-families-tanf-overview (on using section 1115 waivers); Zellman et al., Gail L. Zellman et al., *Welfare Reform in California: State and County Implementation of CalWORKs in the First Year* 9, 12 (1999), https://www.rand.org/content/dam/rand/pubs/monograph_reports/1999/MR1051.pdf.

[183] U.S. DEP'T OF HOUS. & URB. DEV., EMPOWERMENT: A NEW COVENANT WITH AMERICA'S COMMUNITIES: PRESIDENT CLINTON'S NATIONAL URBAN POLICY REPORT (July 1995), https://www.huduser.gov/portal//portal/sites/default/files/pdf/Empowerment-A-New-Covenant-With-Americas-Communities-President-Clintons-National-Urban-Policy-Report.pdf.

[184] U.S. DEP'T OF HOUS. & URB. DEV., EMPOWERMENT: A NEW COVENANT WITH AMERICA'S COMMUNITIES: PRESIDENT CLINTON'S NATIONAL URBAN POLICY REPORT (July 1995), https://www.huduser.gov/portal//portal/sites/default/files/pdf/Empowerment-A-New-Covenant-With-Americas-Communities-President-Clintons-National-Urban-Policy-Report.pdf.

[185] Personal Responsibility and Work Opportunity Reconciliation Act of 1996, PUB. L. NO. 104-193, § 401(a)(2), 110 Stat. 2105, 2113 (1996), https://www.congress.gov/104/plaws/publ193/PLAW-104publ193.pdf.

The eventual passage of PRWORA in 1996 was also driven by severe federal disinvestment. This law produced significant reductions in aid, cutting almost $55 billion from low-income programs over six years.[186] These cuts disproportionately targeted vulnerable groups including those relying on food stamps, people with disabilities and older adults who depended on 2SSI, and legal immigrants—who alone accounted for approximately 40 percent of the bill's net savings.[187]

PRWORA cut $55 billion from low-income programs, disproportionately impacting vulnerable groups.

B. The economic boom of the early 90s obscured structural flaws

The shift from the entitlement-based AFDC program to the fixed-funding TANF block grants fundamentally encoded a structural underfunding in the social safety net.[188] This structural change occurred during a period of economic expansion defined by high economic growth, low unemployment, and rising productivity.[189] This opportune economic environment masked the inherent financial fragility of the new system. In the years immediately following the passage of PRWORA, the predetermined TANF block grant funding worked to the states' benefit because public assistance caseloads saw dramatic declines while federal dollars remained unchanged, effectively increasing the resources available per case.[190]

However, the hidden truth was the block grant fixed-funding model established a profound long-term vulnerability for states. The TANF grant amount was fixed with set dollar amounts that did not adjust over time for inflation, which ensured its real value declined over time.[191] Furthermore, unlike the former AFDC matching grants where raising state spending

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[186] DAVID A. SUPER ET AL., CTR. ON BUDGET & POL'Y PRIORITIES, *The New Welfare Law* (Aug. 13, 1996), https://www.cbpp.org/sites/default/files/archive/WECNF813.HTM (on $55 billion in cuts).
[187] DAVID A. SUPER ET AL., CTR. ON BUDGET & POL'Y PRIORITIES, *The New Welfare Law* (Aug. 13, 1996), https://www.cbpp.org/sites/default/files/archive/WECNF813.HTM (on SSI, Food Stamp cuts, and legal immigrant cuts accounting for 40 percent in net savings).
[188] U.S. DEP'T OF HEALTH & HUM. SERVS., Aid to Families with Dependent Children (AFDC) and Temporary Assistance for Needy Families (TANF) - Overview, https://aspe.hhs.gov/aid-families-dependent-children-afdc-temporary-assistance-needy-families-tanf-overview.
[189] Rebecca M. Blank, *What Did the 1990s Welfare Reform Accomplish?* 11 (Apr. 2005), http://www.economics.uni-linz.ac.at/papers/2005/wp0514.pdf; Rebecca M. Blank, *Welfare and the Economy*, Brookings Inst. (Sept. 2, 2001), https://www.brookings.edu/articles/welfare-and-the-economy/ (describing the 1990s as having "exceptional labor market improvements" and noting that the U.S. economy was "exceptionally strong", and "one of its strongest periods of growth"); U.S. Council of Econ. Advisers, *Economic Report of the President* (1996), https://www.govinfo.gov/content/pkg/ERP-1996/html/ERP-1996-chapter2.htm.
[190] Rebecca M. Blank, *What Did the 1990s Welfare Reform Accomplish?* 3 (Apr. 2005), http://www.economics.uni-linz.ac.at/papers/2005/wp0514.pdf; Rebecca M. Blank, *Welfare and the Economy,* Brookings Inst. (Sept. 2, 2001), https://www.brookings.edu/articles/welfare-and-the-economy/ (on states bearing the remaining fiscal responsibility); Gail L. Zellman et al., *Welfare Reform in California: State and County Implementation of CalWORKs in the First Year* 24–26, 35, 85 (1999), https://www.rand.org/content/dam/rand/pubs/monograph_reports/1999/MR1051.pdf
[191] Rebecca M. Blank, *What Did the 1990s Welfare Reform Accomplish?* 3 (Apr. 2005), http://www.economics.uni-linz.ac.at/papers/2005/wp0514.pdf; DAVID A. SUPER ET AL., CTR. ON BUDGET & POL'Y PRIORITIES, *The New Welfare Law* (Aug. 13,

resulted in more federal dollars awarded, the fixed block grant structure meant the federal allocation did "not vary as state spending levels change[d]." This design shifted the financial risk of economic cycles largely onto the states, providing less recessionary support than AFDC.[192]

Critics worried that fixed block grants would leave states especially vulnerable in the event of a recession.[193] Congress intended the contingency fund to address this concern, yet it was widely criticized for being inadequate. Congress initially appropriated a total of $2 billion for this fund to cover fiscal years 1997 through 2001. This amount was considered insufficient, because federal expenditures for AFDC and related costs rose by $6 billion over just three years during a prior, mild economic downturn between 1990-1992.[194] Both Congress and critics of the approach understood that $2 billion contingency fund would "almost certain[ly] run out partway through the next recession,"[195] institutionalizing an intentionally underfunded anti-poverty system.

II. NEW LAWS AND POLICIES

Throughout Clinton's first administration, the vision for remaking the social safety nets took shape. The House Budget Committee proposed a measure titled "Welfare and Medicaid Reform Act of 1996" ("Welfare Reform Act") and an accompanying report.[196] The grim language of this proposal left little room for imagination: "There is little doubt that the current welfare

1996), https://www.cbpp.org/sites/default/files/archive/WECNF813.HTM (on fixed funding); Rebecca M. Blank, *Welfare and the Economy*, Brookings Inst. (Sept. 2, 2001), https://www.brookings.edu/articles/welfare-and-the-economy/ (on states bearing the remaining fiscal responsibility and lack of counter-cyclical adjustment); Gail L. Zellman et al., *Welfare Reform in California: State and County Implementation of CalWORKs in the First Year* 15, 24–26 (1999), https://www.rand.org/content/dam/rand/pubs/monograph_reports/1999/MR1051.pdf.

[192] Rebecca M. Blank, *What Did the 1990s Welfare Reform Accomplish?* 3 (Apr. 2005), http://www.economics.uni-linz.ac.at/papers/2005/wp0514.pdf; DAVID A. SUPER ET AL., CTR. ON BUDGET & POL'Y PRIORITIES, *The New Welfare Law* (Aug. 13, 1996), https://www.cbpp.org/sites/default/files/archive/WECNF813.HTM (on fixed funding); Rebecca M. Blank, *Welfare and the Economy*, Brookings Inst. (Sept. 2, 2001), https://www.brookings.edu/articles/welfare-and-the-economy/ (on states bearing the remaining fiscal responsibility and lack of counter-cyclical adjustment); Gail L. Zellman et al., *Welfare Reform in California: State and County Implementation of CalWORKs in the First Year* 15, 24–26 (1999), https://www.rand.org/content/dam/rand/pubs/monograph_reports/1999/MR1051.pdf

[193] Rebecca M. Blank, *What Did the 1990s Welfare Reform Accomplish?* 3 (Apr. 2005), http://www.economics.uni-linz.ac.at/papers/2005/wp0514.pdf; DAVID A. SUPER ET AL., CTR. ON BUDGET & POL'Y PRIORITIES, *The New Welfare Law* (Aug. 13, 1996), https://www.cbpp.org/sites/default/files/archive/WECNF813.HTM (on fixed funding); Rebecca M. Blank, *Welfare and the Economy*, Brookings Inst. (Sept. 2, 2001), https://www.brookings.edu/articles/welfare-and-the-economy/ (on states bearing the remaining fiscal responsibility and lack of counter-cyclical adjustment); Gail L. Zellman et al., *Welfare Reform in California: State and County Implementation of CalWORKs in the First Year* 15, 24–26 (1999), https://www.rand.org/content/dam/rand/pubs/monograph_reports/1999/MR1051.pdf.

[194] Personal Responsibility and Work Opportunity Reconciliation Act of 1996, PUB. L. NO. 104-193, § 401(a)(2), 110 Stat. 2105 (1996), https://www.congress.gov/104/plaws/publ193/PLAW-104publ193.pdf; DAVID A. SUPER ET AL., CTR. ON BUDGET & POL'Y PRIORITIES, *The New Welfare Law* (Aug. 13, 1996), https://www.cbpp.org/sites/default/files/archive/WECNF813.HTM; The Ctr. on Budget & Pol'y Priorities, *House and Senate Welfare Bills* (July 25, 1996), https://www.cbpp.org/sites/default/files/archive/WEL725.HTM.

[195] DAVID A. SUPER ET AL., CTR. ON BUDGET & POL'Y PRIORITIES, *The New Welfare Law* (Aug. 13, 1996), https://www.cbpp.org/sites/default/files/archive/WECNF813.HTM (on "Fiscal Pressures Resulting from Federal Block Grant Funding Levels").

[196] H.R. Rep. No. 104-651, 104th Cong., 2d Sess. (1996).

system is a failure. It traps recipients in a cycle of dependency. It undermines the values of work and family…Most devastating of all, it fails the Nation's children." [197]

The Committee reported that, since 1960, the government spent $5.4 trillion on programs to end poverty while the poverty rate held at 12 to 15 percent.[198] Linking increased welfare spending to a steady poverty rate fails to acknowledge the flaws of the official poverty measure, including the fact that it does not include the value of in-kind benefits like nutrition assistance, subsidized housing, or tax credits in a household's pre-tax income.[199]

The report further stated welfare "punishes its intended beneficiaries" by isolating them from the economy rather than encouraging work.[200] The Congressional Budget Office estimated that under the Welfare Reform Act, 1.3 million families currently on welfare will be transitioned to working by 2002.[201] This report provided additional justification for adopting PRWORA, which cut $55 billion from low-income programs over the course of six years.[202] Most of the cuts came from significant reductions to either food stamps, the SSI for the elderly and disabled, and assistance for legal immigrants.[203] However, the biggest structural change came through the replacement of the AFDC program with TANF.

A. Welfare disinvestment leads to poverty increases

The most widely felt shift was the transition of direct federal funding via AFDC to block grant funding under TANF.[204] This removed federal assistance established under AFDC, and instead shifted program administration to the states.[205] States were granted broad flexibility on how to set asset limits, income eligibility, and work requirements.[206] Because of this flexibility, states set TANF benefit levels far below the federal poverty line—many set to more than 30%

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[197] H.R. Rep. No. 104-651, 104th Cong., 2d Sess. 3 (1996).
[198] H.R. Rep. No. 104-651, 104th Cong., 2d Sess. 3 (1996).
[199] John Creamer, *Comparing Poverty Measures: Development of the Supplemental Poverty Measure and Differences with the Official Poverty Measure*, U.S. Census Bureau (Sept. 2, 2025), https://www.census.gov/newsroom/blogs/random-samplings/2025/09/difference-supplemental-and-official-poverty-measures.html (last visited Nov. 25, 2025).
[200] H.R. Rep. No. 104-651, 104th Cong., 2d Sess. 4 (1996).
[201] H.R. Rep. No. 104-651, 104th Cong., 2d Sess. 5 (1996).
[202] DAVID A. SUPER ET AL., CTR. ON BUDGET & POL'Y PRIORITIES, *The New Welfare Law* (Aug. 13, 1996), https://www.cbpp.org/sites/default/files/archive/WECNF813.HTM.
[203] DAVID A. SUPER ET AL., CTR. ON BUDGET & POL'Y PRIORITIES, *The New Welfare Law* (Aug. 13, 1996), https://www.cbpp.org/sites/default/files/archive/WECNF813.HTM.
[204] DAVID A. SUPER ET AL., CTR. ON BUDGET & POL'Y PRIORITIES, *The New Welfare Law* (Aug. 13, 1996), https://www.cbpp.org/sites/default/files/archive/WECNF813.HTM.
[205] SHEILA R. ZEDLEWSKI ET AL., *One Year after Federal Welfare Reform: A Description of State Temporary Assistance for Needy Families (TANF) Decisions as of October 1997*, URB. INST., Occasional Paper No. 20 (May 1998), https://www.urban.org/sites/default/files/publication/66581/307472-One-Year-after-Federal-Welfare-Reform.PDF.
[206] SHEILA R. ZEDLEWSKI ET AL., *One Year after Federal Welfare Reform: A Description of State Temporary Assistance for Needy Families (TANF) Decisions as of October 1997*, URB. INST., Occasional Paper No. 20 (May 1998), https://www.urban.org/sites/default/files/publication/66581/307472-One-Year-after-Federal-Welfare-Reform.PDF.

below the poverty line).[207] This not only disqualified many recipients but also reduced the overall value of benefits: the daily benefit was as low as $5 in over 30 states.[208]

The passage of PRWORA also caused the most severe cuts to food stamps to date.[209] The Center on Budget and Policy Priorities (CBPP) identified $27.7 billion in food stamp cuts.[210] Congress moved these cuts forward under the guise of strengthening the work requirements. Specifically, non-disabled adults aged 18 to 50 who are not caring for children or working part-time or under state "Workfare" programs[211] would have benefits limited to three months in their lifetime.[212]

For example, a factory worker who had received food stamps for three months at one point and then subsequently worked for ten years prior to getting laid off was ineligible for further food stamp benefits under the new bill.[213] However, the bill provided no additional funding or flexibility for Workfare, instead essentially functioning as a mandated "cut-off."[214]

After receiving food stamps for 3 months and then working for ten years, a factory worker would be ineligible for further relief.

Congress implicitly acknowledged economic drivers of poverty and the harm of this policy approach with a provision allowing for the suspension of this three-month lifetime cut-off —but only in the event unemployment rates rise above a staggering 10 percent.[215]

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[207] SHEILA R. ZEDLEWSKI ET AL., *One Year after Federal Welfare Reform: A Description of State Temporary Assistance for Needy Families (TANF) Decisions as of October 1997*, URB. INST., Occasional Paper No. 20 (May 1998), https://www.urban.org/sites/default/files/publication/66581/307472-One-Year-after-Federal-Welfare-Reform.PDF.
[208] SHEILA R. ZEDLEWSKI ET AL.,*One Year after Federal Welfare Reform: A Description of State Temporary Assistance for Needy Families (TANF) Decisions as of October 1997*, URB. INST., Occasional Paper No. 20 (May 1998), https://www.urban.org/sites/default/files/publication/66581/307472-One-Year-after-Federal-Welfare-Reform.PDF.
[209] CTR. ON BUDGET & POL'Y PRIORITIES, *The Depth of the Food Stamp Cuts In the Final Welfare Bill* (Aug. 14, 1996), https://www.cbpp.org/sites/default/files/archive/DEPTH9.HTM.
[210] CTR. ON BUDGET & POL'Y PRIORITIES, *The Depth of the Food Stamp Cuts In the Final Welfare Bill* (Aug. 14, 1996), https://www.cbpp.org/sites/default/files/archive/DEPTH9.HTM.
[211] "Workfare" allows states to require food stamp recipients to perform work for the state in exchange for benefits. *See* 7 U.S.C. § 2029 (2024), https://www.govinfo.gov/app/details/USCODE-2024-title7/USCODE-2024-title7-chap51-sec2029.
[212] Robert Greenstein, *House Approves Amendment To Welfare Bill That Would Result in Most Severe Cut in the Food Stamp Program's History* (July 22, 1996), https://www.cbpp.org/sites/default/files/archive/722.HTM.
[213] Robert Greenstein, *House Approves Amendment To Welfare Bill That Would Result in Most Severe Cut in the Food Stamp Program's History* (July 22, 1996), https://www.cbpp.org/sites/default/files/archive/722.HTM.
[214] Robert Greenstein, *House Approves Amendment To Welfare Bill That Would Result in Most Severe Cut in the Food Stamp Program's History* (July 22, 1996), https://www.cbpp.org/sites/default/files/archive/722.HTM.
[215] Robert Greenstein, *House Approves Amendment To Welfare Bill That Would Result in Most Severe Cut in the Food Stamp Program's History* (July 22, 1996), https://www.cbpp.org/sites/default/files/archive/722.HTM; U.S. BUREAU OF LAB. STAT., *Labor Force Statistics from the Current Population Survey: Series LNS14000000 (Seasonally Adjusted Unemployment Rate, Age 16+),* U.S. BUREAU OF LAB. STAT., https://data.bls.gov/timeseries/LNS14000000?years_option=all_years (Unemployment rates are rarely over 10% with the Bureau of Labor Statistics reporting 1983 as the last occurrence).

Women made up more than an estimated 40 percent of those affected by these policy changes.[216] For those who did continue to receive benefits, the average amount fell from about $0.80 per person per meal to $0.66 per person per meal.[217] Despite the continued congressional rhetoric on improving childhood poverty, families with children absorbed about two-thirds of the overall cuts to food stamps, causing them to lose an average of $435 annually.[218]

These cuts were even worse for SSI recipients. PRWORA tightened eligibility criteria for disabled children and required redetermination of eligibility for current recipients under new criteria.[219] By 1998, about 42 percent of those evaluated were deemed ineligible to receive benefits.[220] These changes accounted for about 14 percent of budget reductions under PRWORA.[221] Families dealing with disabilities experienced significant loss of income and destabilization of guaranteed Medicaid benefits, which pushed them towards worse poverty and other forms of government assistance.[222]

B. "One Strike" rule enabled arbitrary and discriminatory evictions

As these drastic cuts to welfare programs took effect, Congress passed the "One Strike" rule, which President Clinton signed into law as part of the Housing Opportunity Program Extension Act of 1996.[223] Within this Act was the legal foundation for the "One Strike and You're Out" rule ("One Strike"), which evicted public housing tenants found using illegal drugs or engaging in criminal activities on or off public housing properties, purportedly to support safe communities.[224]

The One Strike rule only worked if Public Housing Authorities (PHAs) at the local level implemented strict screening requirements.[225] Therefore, Congress incentivized PHAs to

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[216] CTR. ON BUDGET & POL'Y PRIORITIES, *The Depth of the Food Stamp Cuts In the Final Welfare Bill* (Aug. 14, 1996), https://www.cbpp.org/sites/default/files/archive/DEPTH9.HTM.
[217] CTR. ON BUDGET & POL'Y PRIORITIES, *The Depth of the Food Stamp Cuts In the Final Welfare Bill* (Aug. 14, 1996), https://www.cbpp.org/sites/default/files/archive/DEPTH9.HTM.
[218] CTR. ON BUDGET & POL'Y PRIORITIES, *The Depth of the Food Stamp Cuts In the Final Welfare Bill* (Aug. 14, 1996), https://www.cbpp.org/sites/default/files/archive/DEPTH9.HTM.
[219] U.S. GEN. ACCT. OFF., *Supplemental Security Income: Progress Made in Implementing Welfare Reform Changes; More Action Needed,* GAO/HEHS-99-103 (June 28, 1999), 1–2, available at https://www.gao.gov/assets/hehs-99-103.pdf.
[220] U.S. GEN. ACCT. OFF., *Supplemental Security Income: Progress Made in Implementing Welfare Reform Changes; More Action Needed,* GAO/HEHS-99-103 (June 28, 1999), 2, available at https://www.gao.gov/assets/hehs-99-103.pdf.
[221] Pamela J. Loprest, *Supplemental Security Income for Children with Disabilities: Part of the Federal Safety Net*, THE URB. INST., (July 1997), available at https://www.urban.org/sites/default/files/publication/66996/307041-Supplemental-Security-Income-for-Children-with-Disabilities.PDF.
[222] Pamela J. Loprest, *Supplemental Security Income for Children with Disabilities: Part of the Federal Safety Net*, THE URB. INST., (July 1997), available at https://www.urban.org/sites/default/files/publication/66996/307041-Supplemental-Security-Income-for-Children-with-Disabilities.PDF.
[223] U.S. DEP'T OF HOUS. & URB. DEV., *"One Strike and You're Out" Initiative*, HUD Archives, last modified Dec. 5, 2000, https://archives.hud.gov/progdesc/1strike.cfm.
[224] U.S. DEP'T OF HOUS. & URB. DEV., *"One Strike and You're Out" Initiative*, HUD Archives, last modified Dec. 5, 2000, https://archives.hud.gov/progdesc/1strike.cfm.
[225] U.S. DEP'T OF HOUS. & URB. DEV. ET AL., *"Meeting the Challenge: Public housing authorities respond to the "One Strike and You're Out" Initiative* 11 (Sept. 1997), NCJRS Virtual Library, https://www.ojp.gov/ncjrs/virtual-library/abstracts/meeting-challenge-public-housing-authorities-respond-one-strike-and.

cooperate by tying the policy to funding. [226] Those who chose to adopt One Strike agreed to add stronger lease requirements, provide PHA staff training on One Strike, engage community and partner organizations, enforce tenant eviction for One Strike violations, and bar applicants with drug or other criminal histories.[227]

A survey of PHAs one year after implementing these One Strike rule illustrated its swift and far-reaching impact.[228] Six months after implementation, responding PHAs denied housing to 19,405 applicants; almost double the denials in the previous six months.[229] These PHAs completed 2,698 drug-related evictions in the six months prior to One Strike compared to 3,794 in the following six months after—an increase of more than 40 percent.[230] As part of the screening process, PHAs denied occupancy to applicants with any drug-related eviction from public housing within the past three years.[231] Prior to One Strike, PHAs denied 9,835 applicants for drug-related crimes.[232] In the six months after One Strike, PHAs denied 19,405 applicants—a nearly 200% increase.[233]

[226] U.S. DEP'T OF HOUS. & URB. DEV. ET AL., *"Meeting the Challenge: Public housing authorities respond to the "One Strike and You're Out" Initiative* 27 (Sept. 1997), NCJRS Virtual Library, https://www.ojp.gov/ncjrs/virtual-library/abstracts/meeting-challenge-public-housing-authorities-respond-one-strike-and.
[227] U.S. DEP'T OF HOUS. & URB. DEV. ET AL., *"Meeting the Challenge: Public housing authorities respond to the "One Strike and You're Out" Initiative* 30 (Sept. 1997), NCJRS Virtual Library, https://www.ojp.gov/ncjrs/virtual-library/abstracts/meeting-challenge-public-housing-authorities-respond-one-strike-and.
[228] U.S. DEP'T OF HOUS. & URB. DEV. ET AL., *"Meeting the Challenge: Public housing authorities respond to the "One Strike and You're Out" Initiative* 5 (Sept. 1997), NCJRS Virtual Library, https://www.ojp.gov/ncjrs/virtual-library/abstracts/meeting-challenge-public-housing-authorities-respond-one-strike-and.
[229] U.S. DEP'T OF HOUS. & URB. DEV. ET AL., *"Meeting the Challenge: Public housing authorities respond to the "One Strike and You're Out" Initiative* 5 (Sept. 1997), NCJRS Virtual Library, https://www.ojp.gov/ncjrs/virtual-library/abstracts/meeting-challenge-public-housing-authorities-respond-one-strike-and.
[230] U.S. DEP'T OF HOUS. & URB. DEV. ET AL., *"Meeting the Challenge: Public housing authorities respond to the "One Strike and You're Out" Initiative* 35 (Sept. 1997), NCJRS Virtual Library, https://www.ojp.gov/ncjrs/virtual-library/abstracts/meeting-challenge-public-housing-authorities-respond-one-strike-and.
[231] U.S. DEP'T OF HOUS. & URB. DEV. ET AL., *"Meeting the Challenge: Public housing authorities respond to the "One Strike and You're Out" Initiative* 35 (Sept. 1997), NCJRS Virtual Library, https://www.ojp.gov/ncjrs/virtual-library/abstracts/meeting-challenge-public-housing-authorities-respond-one-strike-and.
[232] U.S. DEP'T OF HOUS. & URB. DEV. ET AL., *"Meeting the Challenge: Public housing authorities respond to the "One Strike and You're Out" Initiative* 35 (Sept. 1997), NCJRS Virtual Library, https://www.ojp.gov/ncjrs/virtual-library/abstracts/meeting-challenge-public-housing-authorities-respond-one-strike-and.
[233] U.S. DEP'T OF HOUS. & URB. DEV. ET AL., *"Meeting the Challenge: Public housing authorities respond to the "One Strike and You're Out" Initiative* 35 (Sept. 1997), NCJRS Virtual Library, https://www.ojp.gov/ncjrs/virtual-library/abstracts/meeting-challenge-public-housing-authorities-respond-one-strike-and.

The "One Strike" rule mandated eviction from subsidized housing not only for actual criminal conduct– but eventually also for mere suspicion or based on the acts of others. PHAs increasingly evicted families regardless of their responsibility for criminal incidents. PHAs evicted not just individuals who engaged in criminal conduct, but entire households.[234] Eventually even if households were only tangentially associated with criminal activity, such as through the actions of a guest not currently on the premises, the law permitted their eviction.[235] In *Department of Housing and Urban Development v. Rucker,* the Supreme Court upheld the evictions of four public housing tenants based on the drug offenses of others.[236] The Court reasoned that One Strike permits evictions of innocent tenants because "strict liability maximizes deterrence and eases enforcement difficulties."[237] The Court reasoned further that no-fault evictions in this context enforced Congressional intent to provide safe public housing because, "[r]egardless of knowledge, a tenant who cannot control drug crime, or other criminal activities by a household member . . . is a threat to other residents."[238] HUD does not keep nationwide statistics on how many tenants are turned away or evicted, whether through their own fault or not, based on the One Strike policy.

The "One Strike" rule mandated eviction for mere suspicion or based on the acts of others.

III. IMPACTS ON HOUSING AND HOMELESSNESS

In the years following PRWORA implementation, its supporters celebrated welfare reform based on decreased welfare rolls, assuming this reduction also meant fewer people were impoverished. Early reports showed large declines in welfare rolls, increased employment among former recipients, and a slight decline in the overall child poverty rate.[239] By 1998, national caseloads decreased by 31 percent since PRWORA began in 1996.[240] But these data decreases were illusory. In reality, a significant number of people returned to the rolls, and the policies themselves produced counterproductive results and reinforced neoliberal principles

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[234] U.S. DEP'T OF HOUS. & URB. DEV. ET AL., *"Meeting the Challenge: Public housing authorities respond to the "One Strike and You're Out" Initiative* 31 (Sept. 1997), NCJRS Virtual Library, https://www.ojp.gov/ncjrs/virtual-library/abstracts/meeting-challenge-public-housing-authorities-respond-one-strike-and ("Under the required lease terms, an entire household can be evicted when one member violates those terms.").

[235] Shelterforce, Shelter Shorts #97, *Elderly Residents Face Eviction Under "One Strike" Policy*, Shelterforce (Jan. 1, 1998), https://shelterforce.org/1998/01/01/shelter-shorts-41/.

[236] *Dep't of Hous. & Urban Dev. v. Rucker*, 535 U.S. 125, 122 S. Ct. 1230, 152 L. Ed. 2d 258 (2002).

[237] *Dep't of Hous. & Urban Dev. v. Rucker*, 535 U.S. 125, 134, 122 S. Ct. 1230, 152 L. Ed. 2d 258 (2002).

[238] *Dep't of Hous. & Urban Dev. v. Rucker*, 535 U.S. 125, 134, 122 S. Ct. 1230, 152 L. Ed. 2d 258 (2002).

[239] Arloc Sherman, et al., *Welfare to What: Early Findings on Family Hardship and Well-Being* 5 CHILD. DEF. FUND & COAL. FOR THE HOMELESS (Dec. 1998).

[240] Arloc Sherman, et al., *Welfare to What: Early Findings on Family Hardship and Well-Being* 7 CHILD. DEF. FUND & COAL. FOR THE HOMELESS (Dec. 1998).

with questionable utility for solving social problems through free-market capitalist approaches.[241]

The optimistic view of decreasing welfare rolls relies on the assumption that families who leave welfare are better off without it. However, the decrease in rolls does not necessarily mean families were leaving because they found stable, lucrative work and no longer needed assistance. For many, removal from welfare rolls resulted from punitive requirements, time limits, and sanctions. Moreover, countless studies rebut the conclusion that welfare reform led to a decrease in overall poverty, instead showing both former welfare recipients and those still receiving assistance through state welfare programs continued experiencing housing instability and other hardships even post-PRWORA.

A. Welfare reform pushed recipients out to mostly low-wage, unstable work

PRWORA's "work first" emphasis left recipients still economically vulnerable from unstable, low-wage jobs. Very few who left TANF following welfare reform earned enough to support a family, due in part to a lack of job stability.[242] A 2001 report found only a little more than 33 percent who left TANF were employed in all four quarters the following year. [243] Employment following welfare reform was therefore inconsistent and unstable.

In addition, the jobs obtained were often low paying, affecting former recipients' ability to support themselves and their families. Most of the jobs held by former recipients paid between $5.50 and $7.00 an hour—not enough to raise an individual, much less a family, out of poverty.[244] An Ohio study found only a quarter of former TANF recipients who left the rolls in the last quarter of 1996 made about $12,000 a year, and nearly half earned nothing at all.[245] A study of Michigan women who received TANF in 1997 found by the fall of 2001, only a quarter were working in "good jobs," defined by the researchers as full-time jobs paying at least $7.00 per hour and offered health insurance, or full-time jobs without health insurance paying at least $8.50 per hour.[246] Ultimately, the core rationale behind PRWORA—to move people off welfare and towards self-sufficiency—failed because available jobs did not provide the income required for economic stability.

B. Former welfare recipients faced housing instability

Unsurprisingly, former welfare recipients experienced hardships beyond low wages and job instability—notably housing instability, particularly for families. This instability manifested

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[241] "Neoliberalism" refers to "free-market economics and a substantially lower level of government involvement in society and the economy." Alicia Larons, *Neoliberalism* (2025), EBSCO INFO. SERV., https://www.ebsco.com/research-starters/diplomacy-and-international-relations/neoliberalism.

[242] Arloc Sherman, et al., *Welfare to What: Early Findings on Family Hardship and Well-Being* 8 CHILD. DEF. FUND & COAL. FOR THE HOMELESS (Dec. 1998).

[243] Gregory Acs & Pamela Loprest, *Final Synthesis Report of Findings from Aspe's "Leavers" Grants*, THE URB. INST. (Nov. 27, 2001).

[244] Arloc Sherman, et al., *Welfare to What: Early Findings on Family Hardship and Well-Being* 8 CHILD. DEF. FUND & COAL. FOR THE HOMELESS (Dec. 1998).

[245] Arloc Sherman, et al., *Welfare to What: Early Findings on Family Hardship and Well-Being* 9 CHILD. DEF. FUND & COAL. FOR THE HOMELESS (Dec. 1998).

[246] Shawn Fremstad, *Recent Welfare Reform Research Findings: Implications for TANF Reauthorization and State TANF Policies*, CTR. ON BUDGET & POL'Y PRIORITIES (Jan. 30, 2004).

as increased moves, difficulties paying rent, increased evictions, and a rise in the use of emergency services.

A synthesis of post-reform Office of the Assistant Secretary for Planning and Evaluation funded studies revealed while statistics vary among jurisdictions, many families were forced to move due to housing costs or to avoid eviction.[247] Many families reported they were without a place to live at least once–for example, 7 percent in Iowa and 13 percent in Washington.[248] Many families moved in with relatives or friends because of high housing costs, leading to reports of overcrowded living conditions following departure from the rolls.[249] For example, a Bay Area study found 32 percent of families reported living in crowded housing conditions.[250] Families who "doubled up" with friends or relatives were not accounted for in official homelessness statistics.

For both former and then-current welfare recipients, the lack of affordable housing made paying rent difficult. Even as the U.S. economy experienced major growth, the availability of low-income housing remained low. Many families struggled to pay rent due to high rental costs, a lack of affordable housing, a shortage of housing assistance, and low TANF benefit levels.[251] A survey conducted by social service agencies across six states found 48 percent of former recipients reported struggling to pay rent in the previous six months, and 33 percent of current recipients said the same.[252]

The loss of benefits and enforcement of punitive One Strike measures drove up evictions and exclusions from public housing, forcing many people into cycles of homelessness. A Wisconsin study reported an almost 14 percent increase in evictions in 1998 compared to 1994.[253] A similar study conducted in Michigan found 12 percent of former recipients surveyed were evicted from their homes after losing benefits due to sanctions.[254] As noted above, HUD intentionally does not maintain data on evictions resulting from One Strike. However, following the Supreme Court decision in *Rucker*, many local municipalities enacted crime-free housing ordinances applicable beyond subsidized housing, modeled after the One Strike policy.[255] These

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[247] Gregory Acs & Pamela Loprest, *Final Synthesis Report of Findings from Aspe's "Leavers" Grants* 98 THE URB. INST. (Nov. 27, 2001). ("The percentage of families that were forced to move because of housing costs ranges from 6 percent in DC to 26 percent in Cuyahoga County.")

[248] Gregory Acs & Pamela Loprest, *Final Synthesis Report of Findings from Aspe's "Leavers" Grants* 98 THE URB. INST. (Nov. 27, 2001). ("The percentage of families that were forced to move because of housing costs ranges from 6 percent in DC to 26 percent in Cuyahoga County.")

[249] Gregory Acs & Pamela Loprest, *Final Synthesis Report of Findings from Aspe's "Leavers" Grants* 98 THE URB. INST. (Nov. 27, 2001). ("The reports range from 10 percent in Washington to 22 percent in DC.")

[250] Gregory Acs & Pamela Loprest, *Final Synthesis Report of Findings from Aspe's "Leavers" Grants* 98 THE URB. INST. (Nov. 27, 2001). ("The reports range from 10 percent in Washington to 22 percent in DC.")

[251] Laura Nichols & Barbara Gault, *Implications of Welfare Reform on Housing and School Instability*, 72 J. NEGRO EDUC. 104, 106–107 (2003), /https://scholarcommons.scu.edu/cgi/viewcontent.cgi?article=1001&context=soc.

[252] Laura Nichols & Barbara Gault, *Implications of Welfare Reform on Housing and School Instability*, 72 J. NEGRO EDUC. 104, 107 (2003), /https://scholarcommons.scu.edu/cgi/viewcontent.cgi?article=1001&context=soc.

[253] Laura Nichols & Barbara Gault, *Implications of Welfare Reform on Housing and School Instability*, 72 J. NEGRO EDUC. 104, 107 (2003), /https://scholarcommons.scu.edu/cgi/viewcontent.cgi?article=1001&context=soc.

[254] Laura Nichols & Barbara Gault, *Implications of Welfare Reform on Housing and School Instability*, 72 J. NEGRO EDUC. 104, 107 (2003), /https://scholarcommons.scu.edu/cgi/viewcontent.cgi?article=1001&context=soc.

[255] *See* Kathryn V. Ramsey, *One-Strike 2.0: How Local Governments Are Distorting a Flawed Federal Eviction Law*, 65 UCLA L. REV. 1146, 1151–1152 (Jul. 22, 2018).

policies have arguably been more damaging than the policy upon which they are based, and have put many tenants at significant risk of eviction and homelessness.[256]

While formal state evaluations reported little change in homelessness, emergency service providers saw rising numbers of people seeking shelter post-PRWORA.[257] Many surveys conducted in emergency service settings reported the rate of families turning to emergency services for help increased following welfare reform. In a ten-city study of 30 social service agencies, 90 percent of the agencies said they witnessed an increase in family homelessness in the previous six months.[258] Milwaukee Shelter Task Force officials cited welfare reform as the cause of shelters filling up two months earlier than usual in 1998, and a study of emergency shelters in Atlanta reported 59 percent of 161 homeless women surveyed said their welfare benefits had been stopped or reduced in the previous year.[259] Significantly, most of the women interviewed experienced welfare cuts and homelessness within two months of each other.[260]

Notably, families who lost assistance due to sanctions or time limits were more likely to experience hardship than other former welfare recipients. A Minnesota study found families who lost welfare due to the 60-month time limit were more likely to be poor than families leaving welfare for other reasons, while other state studies found families who had their assistance terminated because of time limits were less likely to have jobs, and more likely to experience hardships such as food insecurity, housing insecurity, and lack of health care.[261] Overall, families leaving welfare due to time limits had higher poverty rates, lower employment rates, and increased housing-related adversities than families who left for other reasons.[262] Among TANF recipients in Virginia who lost eligibility due to the state's time limit, more than 81 percent had a household income below the poverty line a year and a half after hitting the time limit, even though nearly 90 percent worked at some point after hitting the limit.[263] In a study of Iowa families leaving welfare due to sanctions, roughly half of all families experienced a decrease in income, averaging a loss of $384 per month from their already-low incomes.[264]

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[256] *See* Kathryn V. Ramsey, *One-Strike 2.0: How Local Governments Are Distorting a Flawed Federal Eviction Law*, 65 UCLA L. REV. 1146, 1151–1152 (Jul. 22, 2018).
[257] Laura Nichols & Barbara Gault, *Implications of Welfare Reform on Housing and School Instability*, 72 J. NEGRO EDUC. 104, 109 (2003), /https://scholarcommons.scu.edu/cgi/viewcontent.cgi?article=1001&context=soc.
[258] Laura Nichols & Barbara Gault, *Implications of Welfare Reform on Housing and School Instability*, 72 J. NEGRO EDUC. 104, 108 (2003), /https://scholarcommons.scu.edu/cgi/viewcontent.cgi?article=1001&context=soc.
[259] Laura Nichols & Barbara Gault, *Implications of Welfare Reform on Housing and School Instability*, 72 J. NEGRO EDUC. 104, 108 (2003), /https://scholarcommons.scu.edu/cgi/viewcontent.cgi?article=1001&context=soc.
[260] Laura Nichols & Barbara Gault, *Implications of Welfare Reform on Housing and School Instability*, 72 J. NEGRO EDUC. 104, 108 (2003), /https://scholarcommons.scu.edu/cgi/viewcontent.cgi?article=1001&context=soc.
[261] Shawn Fremstad, *Recent Welfare Reform Research Findings: Implications for TANF Reauthorization and State TANF Policies*, 4 CTR. ON BUDGET & POL'Y PRIORITIES (Jan. 30, 2004).
[262] Shawn Fremstad, *Recent Welfare Reform Research Findings: Implications for TANF Reauthorization and State TANF Policies*, 4 CTR. ON BUDGET & POL'Y PRIORITIES (Jan. 30, 2004).
[263] Shawn Fremstad, *Recent Welfare Reform Research Findings: Implications for TANF Reauthorization and State TANF Policies*, 4 CTR. ON BUDGET & POL'Y PRIORITIES (Jan. 30, 2004).
[264] Shawn Fremstad, *Recent Welfare Reform Research Findings: Implications for TANF Reauthorization and State TANF Policies*, 9 CTR. ON BUDGET & POL'Y PRIORITIES (Jan. 30, 2004).

C. Welfare reform purposefully targeted and harmed the most vulnerable

PRWORA relied heavily on targeted cuts and the systemic denial of aid to specific types of recipients, such as immigrants. Because the new welfare law conditioned eligibility on citizenship status, most legal immigrants were subject to new restrictions which previously applied only to undocumented immigrants.[265] While states were allowed to decide whether to continue federally funded benefits, many chose to opt out of providing benefits to immigrants who entered the country on or after August 22, 1996.[266] Furthermore, although some states created state-funded benefit programs for legal immigrants, eligibility in several of those states was limited to a very narrow category of individuals.[267]

Unsurprisingly, the effects on immigrants in the U.S. were adverse, even among those receiving state TANF benefits. The "work-first" mindset employed by many states in developing their TANF programs did not facilitate skill-building activities such as education, training, or classes for English as a second language.[268] The effect of these shortfalls on the immigrant population in certain states led to lower employment and earnings for immigrants who were not proficient in English compared to English-proficient welfare recipients.[269]

Hardship and poverty among immigrant populations increased after they were no longer eligible for assistance. Food insecurity rose significantly among immigrant-headed households in the 23 states that did the least to alleviate the federal restrictions, and it declined among immigrant-headed households in 28 states that provided more aid to immigrants.[270] Households headed by recently arrived immigrants living in less generous states saw the sharpest increase in food insecurity, rising from 11.3 to 16.3 percent between 1994 and 1998 among households headed by newly arrived immigrants.[271]

D. Welfare reform affected the availability of federal housing assistance

Although welfare and housing assistance programs are distinct systems with different administrative bodies, the populations they serve overlap substantially. According to HUD data, approximately 2 million families with children received housing assistance in 1996, and of those 2 million, about half received some income from AFDC/TANF in 1996.[272]

Despite the significant interactions between the two systems, welfare policy can have negative effects on housing policy. For example, as families' income decreases as a result of TANF time limits or sanctions, housing authorities lose revenue, because PHAs depend on

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[265] Shawn Fremstad, *Immigrants and Welfare Reauthorization*, 1 CTR. ON BUDGET & POL'Y PRIORITIES (Feb. 4, 2002).
[266] Shawn Fremstad, *Immigrants and Welfare Reauthorization*, 5 CTR. ON BUDGET & POL'Y PRIORITIES (Feb. 4, 2002).
[267] Shawn Fremstad, *Immigrants and Welfare Reauthorization*, 5 CTR. ON BUDGET & POL'Y PRIORITIES (Feb. 4, 2002).
[268] Shawn Fremstad, *Immigrants and Welfare Reauthorization*, 12 CTR. ON BUDGET & POL'Y PRIORITIES (Feb. 4, 2002).
[269] Shawn Fremstad, *Immigrants and Welfare Reauthorization*, 13 CTR. ON BUDGET & POL'Y PRIORITIES (Feb. 4, 2002).
[270] Shawn Fremstad, *Immigrants and Welfare Reauthorization*, 9 CTR. ON BUDGET & POL'Y PRIORITIES (Feb. 4, 2002).
[271] Shawn Fremstad, *Immigrants and Welfare Reauthorization*, 9 CTR. ON BUDGET & POL'Y PRIORITIES (Feb. 4, 2002).
[272] Barbara Sard & Jennifer Daskal, *Housing and Welfare Reform: Some Background Information*, CTR. ON BUDGET & POL'Y PRIORITIES (Nov. 5, 1998), https://www.cbpp.org/sites/default/files/archive/hous212.htm.

rental payments to meet part of their operating and maintenance costs.[273] In the case of housing vouchers, the subsidies paid by the PHAs increase as tenants' income falls, forcing PHAs to reduce the number of vouchers to remain within HUD-allocated standards.[274] Decreasing availability of vouchers and certificates meant fewer homeless families and domestic violence victims moving from shelters into more stable housing, and fewer opportunities for families leaving welfare to find housing close to jobs, transportation, and childcare services.[275]

Ultimately, welfare reform did not result in more self-sufficiency and reduced dependency, despite its stated aims. While PRWORA appeared to shrink the welfare state on paper, its policies destabilized households and compounded homelessness. Unstable, low-wage work did not do enough to alleviate families' financial needs and perpetuated hardships on individuals, families, and the housing system itself through increased moves, overcrowded living conditions, evictions, and increased usage of emergency services.

IV. LEGAL & ADVOCACY IMPLICATIONS FOR THE NEXT ERA

Welfare reform created a fragile and heavily decentralized system which fundamentally changed the nature of the aid and set structural time bombs guaranteed to result in widespread insecurity during economic downturns.[276]

These changes transformed the U.S. safety net into a fragile, punitive, and decentralized system, one structurally designed to fail those most in need. By replacing entitlement-based assistance with fixed block grants, Congress embedded permanent federal underfunding into welfare programs' structure and shifted financial risk to the states, ensuring widespread insecurity during economic downturns. At the same time, the new "deservingness" framework redefined who was worthy of aid, introducing sanctions, time limits, and categorical exclusions that punished and deepened poverty rather than alleviated it. Together, these policies institutionalized a scarcity mindset around welfare programs, expanded surveillance and criminalization, and pushed vulnerable families toward deeper precarity and homelessness—especially immigrants, disabled children, and low-income adults. The following subsections examine how

Welfare reform set structural time bombs guaranteed to result in widespread insecurity during economic downturns.

[273] Barbara Sard & Jennifer Daskal, *Housing and Welfare Reform: Some Background Information*, CTR. ON BUDGET & POL'Y PRIORITIES (Nov. 5, 1998), https://www.cbpp.org/sites/default/files/archive/hous212.htm.
[274] Barbara Sard & Jennifer Daskal, *Housing and Welfare Reform: Some Background Information*, CTR. ON BUDGET & POL'Y PRIORITIES (Nov. 5, 1998), https://www.cbpp.org/sites/default/files/archive/hous212.htm.
[275] Barbara Sard & Jennifer Daskal, *Housing and Welfare Reform: Some Background Information*, CTR. ON BUDGET & POL'Y PRIORITIES (Nov. 5, 1998), https://www.cbpp.org/sites/default/files/archive/hous212.htm.
[276] Rebecca M. Blank, *What Did the 1990s Welfare Reform Accomplish?* 2–3 (Apr. 2005), http://www.economics.uni-linz.ac.at/papers/2005/wp0514.pdf

this new welfare architecture operated through chronic underfunding, punitive enforcement, targeted exclusion, and the weaponization of housing policy.

A. Welfare reform underfunded services and created more red tape

One of the most visible contradictions of the 1996 welfare reform was its reliance on TANF's block grants during periods of economic hardship and volatility.[277] Due to its nature of being a fixed and capped amount, the block grant structure would not automatically expand as need increased. This meant the states were forced to shoulder the financial burden during recessions, precisely when demand for assistance is at a higher need. [278]

By converting the AFDC entitlement program into the TANF capped grants, the system became structurally unable to respond to recessions.[279] For example, during the relatively short and mild recession between 1990-1992, ADFC spending rose by $6 billion to meet the increasing need. In comparison, Congress appointed TANF's Contingency Fund, which was the main anti-recession tool under PRWORA, only $2 billion over 5 years.[280] This amount constituted only a third of the necessary support for a mild recession, leading critics to warn the Contingency Fund was likely to run out during the next recession.[281] To make matters worse, the limited Contingency Fund was highly inaccessible due to rigid and outdated criteria. In order to qualify for the funds, states had to meet one of two strict criteria:[282]

1. **Cyclical high unemployment:** A state's average total unemployment rate (seasonally adjusted) for the most recent three months had to reach at least 6.5 percent and be at least 110 percent of the average rate for the same period in the two previous years. While this complex, two-part trigger was intended to target cyclical hardship, the threshold was so high many states experiencing substantial increases in unemployment during past recessions still failed to qualify for aid.[283]

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[277] Rebecca M. Blank, *What Did the 1990s Welfare Reform Accomplish?* 3 (Apr. 2005), http://www.economics.uni-linz.ac.at/papers/2005/wp0514.pdf; Rebecca M. Blank, *Welfare and the Economy*, Brookings Inst. (Sept. 2, 2001), https://www.brookings.edu/articles/welfare-and-the-economy/.

[278] Rebecca M. Blank, *What Did the 1990s Welfare Reform Accomplish?* 3 (Apr. 2005), http://www.economics.uni-linz.ac.at/papers/2005/wp0514.pdf; Rebecca M. Blank, *Welfare and the Economy*, Brookings Inst. (Sept. 2, 2001), https://www.brookings.edu/articles/welfare-and-the-economy/.

[279] U.S. DEP'T OF HEALTH & HUM. SERVS., *Aid to Families with Dependent Children (AFDC) and Temporary Assistance for Needy Families (TANF) - Overview*, https://aspe.hhs.gov/aid-families-dependent-children-afdc-temporary-assistance-needy-families-tanf-overview; Rebecca M. Blank, *Welfare and the Economy*, Brookings Inst. (Sept. 2, 2001), https://www.brookings.edu/articles/welfare-and-the-economy/.

[280] CTR. ON BUDGET & POL'Y PRIORITIES, *House and Senate Welfare Bills* (July 25, 1996), https://www.cbpp.org/sites/default/files/archive/WEL725.HTM; DAVID A. SUPER ET AL., CTR. ON BUDGET & POL'Y PRIORITIES, *The New Welfare Law* (Aug. 13, 1996), https://www.cbpp.org/sites/default/files/archive/WECNF813.HTM.

[281] CTR. ON BUDGET & POL'Y PRIORITIES, *House and Senate Welfare Bills* (July 25, 1996), https://www.cbpp.org/sites/default/files/archive/WEL725.HTM.

[282] Rebecca M. Blank, *Welfare and the Economy*, Brookings Inst. (Sept. 2, 2001), https://www.brookings.edu/articles/welfare-and-the-economy/.

[283] Personal Responsibility and Work Opportunity Reconciliation Act of 1996, PUB. L. NO. 104-193, §403(b)(6)(A), 110 Stat. 2105, 2123 (1996), https://www.congress.gov/104/plaws/publ193/PLAW-104publ193.pdf; Rebecca M. Blank, *Welfare and the Economy*, Brookings Inst. (Sept. 2, 2001), https://www.brookings.edu/articles/welfare-and-the-economy/.

2. **Food stamp caseload threshold:** A state could also qualify if its average monthly Food Stamp caseload exceeded by at least 10 percent the lesser of its 1994 or 1995 baseline levels. As national Food Stamp caseloads fell by roughly 40 percent by 2001, it made it nearly impossible for states to surpass the high pre-reform baseline even in periods of growing economic need.[284]

Another provision that further limited access was the Maintenance of Effort (MOE) requirement, which mandated states spend 100 percent of their 1994 expenditure levels on specific core welfare programs before they could draw from the Contingency Fund.[285] This threshold was substantially higher than the general MOE requirement of maintaining spending at 75 to 80 percent established elsewhere in the law. By setting the bar so high, the policy effectively ensured states unable or unwilling to meet these costs would have little choice but to cut welfare programs just as they saw increasing rates of poverty and financial need.[286]

B. Welfare reform decided who "deserves" food, shelter, and survival

The 1990s culminated in a series of punitive policies and harsh reforms that significantly altered the safety net, creating instability, exclusions, criminalization of poverty, and strict immigrant restrictions.

1. Punitive sanctions and time limits

The replacement of AFDC with TANF introduced punitive sanctions by introducing time limits (a maximum of five years for federal funds) for aid recipients and strict work requirements for welfare recipients, often without concern for systemic or personal challenges, in effect shifting from aid based on need to aid strictly conditioned on "deservingness."[287] As a result of this new deservingness framework, in which assistance was contingent on compliance rather than need, material hardship and housing instability increased.[288] For example, studies showed families who lost TANF benefits for reasons other than increased income, such as being unable to meet work requirements or being suspected of criminal activities or associations, were significantly more likely to become homeless (13 percent) compared to those who left welfare due to earning more money (2 percent).[289]

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[284] Personal Responsibility and Work Opportunity Reconciliation Act of 1996, PUB. L. NO. 104-193, §403(b)(6)(B), 110 Stat. 2105, 2123 (1996), https://www.congress.gov/104/plaws/publ193/PLAW-104publ193.pdf; Rebecca M. Blank, *Welfare and the Economy*, Brookings Inst. (Sept. 2, 2001), https://www.brookings.edu/articles/welfare-and-the-economy/ (on 40% caseload drop).

[285] Personal Responsibility and Work Opportunity Reconciliation Act of 1996, PUB. L. NO. 104-193, §409(a)(10), 110 Stat. 2105, 2146 (1996), https://www.congress.gov/104/plaws/publ193/PLAW-104publ193.pdf.

[286] Personal Responsibility and Work Opportunity Reconciliation Act of 1996, PUB. L. NO. 104-193, §409(a)(7)(B)(ii), 110 Stat. 2105, 2146 (1996), https://www.congress.gov/104/plaws/publ193/PLAW-104publ193.pdf; Rebecca M. Blank, *Welfare and the Economy*, Brookings Inst. (Sept. 2, 2001), https://www.brookings.edu/articles/welfare-and-the-economy/ (on 100% MOE requirement for contingency funds).

[287] Rebecca M. Blank, *What Did the 1990s Welfare Reform Accomplish?* 6, 10 (Apr. 2005), http://www.economics.uni-linz.ac.at/papers/2005/wp0514.pdf; Personal Responsibility and Work Opportunity Reconciliation Act of 1996, PUB. L. NO. 104-193, §408(a)(7), 110 Stat. 2105, 2137 (1996), https://www.congress.gov/104/plaws/publ193/PLAW-104publ193.pdf.

[288] Laura Nichols & Barbara Gault, *Implications of Welfare Reform on Housing and School Instability*, 72 J. NEGRO EDUC. 104 (2003), /https://scholarcommons.scu.edu/cgi/viewcontent.cgi?article=1001&context=so.

[289] Laura Nichols & Barbara Gault, *Implications of Welfare Reform on Housing and School Instability*, 72 J. NEGRO EDUC. 104 (2003), /https://scholarcommons.scu.edu/cgi/viewcontent.cgi?article=1001&context=so.

2. Targeted exclusion of vulnerable groups

Reform achieved the congressional goal of reduced government expenditures by explicitly creating several subgroups of low-income populations barred from receiving benefits, increasing their susceptibility to poverty.[290] This affected three groups significantly more than others:

1. **Legal immigrants:** 40 percent of PRWORA's net savings came from denying a wide range of benefits to legal immigrants, creating an exclusionary class. The law ended most legal immigrants' eligibility for major safety net programs, including SSI and Food Stamps. For many poor, elderly, or disabled immigrants who could not easily obtain citizenship, this exclusion translated into a permanent block of benefits for the rest of their lives.[291]

2. **Disabled children:** The legislation also tightened SSI's criteria for determining childhood disability, resulting in over 300,000 low-income children losing benefits by 2002.[292]

3. **Unemployed-childless adults:** One of the most significant cuts from the bill came from programs outside of AFDC: a $27.7 billion cut in food stamps, constituting 44 percent of the total cuts under PRWORA. The cut was extremely severe as it restricted food stamps for unemployed, childless adults (ages 18 to 50) to only three months of assistance in any three years. For many adults this was the only type of aid they received. [293]

By carving entire populations out of the safety net, welfare reform codified inequality into law and cemented a hierarchy of "deserving" and "undeserving" poor that persists in federal policy today.

Welfare reform codified inequality into law and cemented a hierarchy of "deserving" and "undeserving" poor.

3. Weaponizing of housing policy

Under PRWORA, the federal housing assistance program linked welfare compliance with a lack of criminal legal system involvement—regardless of whether such involvement was the recipient's fault. The law explicitly mandated the eviction of a public housing resident if the

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[290] DAVID A. SUPER ET AL., CTR. ON BUDGET & POL'Y PRIORITIES, *The New Welfare Law* (Aug. 13, 1996), https://www.cbpp.org/sites/default/files/archive/WECNF813.HTM.
[291] DAVID A. SUPER ET AL., CTR. ON BUDGET & POL'Y PRIORITIES, *The New Welfare Law* (Aug. 13, 1996), https://www.cbpp.org/sites/default/files/archive/WECNF813.HTM; The Ctr. on Budget & Pol'y Priorities, *House and Senate Welfare Bills* (July 25, 1996), https://www.cbpp.org/sites/default/files/archive/WEL725.HTM (on lifetime ban for immigrants).
[292] *Welfare Reform: Issues and Possible Implications for HUD's Programs and Tenants,* GAO/RCED-97-148R (June 16, 1997), https://www.gao.gov/assets/rced-97-148r.pdf.
[293] CTR. ON BUDGET & POL'Y PRIORITIES, *The Depth of the Food Stamp Cuts In the Final Welfare Bill* (Aug. 14, 1996), https://www.cbpp.org/sites/default/files/archive/DEPTH9.HTM(on $27.7 billion cut); Robert Greenstein, *House Approves Amendment To Welfare Bill That Would Result in Most Severe Cut in the Food Stamp Program's History* (July 22, 1996), https://www.cbpp.org/sites/default/files/archive/722.HTM (on the three-month limit).

tenant was a fugitive felon or violating state or federal probation or parole conditions.[294] Congress later expanded the law to allow for the eviction of public housing residents on the mere suspicion of criminal activity. The Supreme Court then expanded this to include guilt by mere association. Thus, this period set the stage for the surveillance and criminalization of already vulnerable populations. Welfare policy penalized recipients who already face multiple and complex barriers and reinforced paths to homelessness based on non-compliance with new, harsh requirements.[295]

The pervasive exclusions, sanctions, and funding cuts pushed vulnerable households further toward economic crisis and provided critical context for the widely reported increase in demand for emergency food and shelter services seen by providers immediately following the enactment of welfare reform. The era culminated in institutionalizing management of homelessness rather than addressing the structural and systemic issues driving it.[296]

V. CONCLUSION

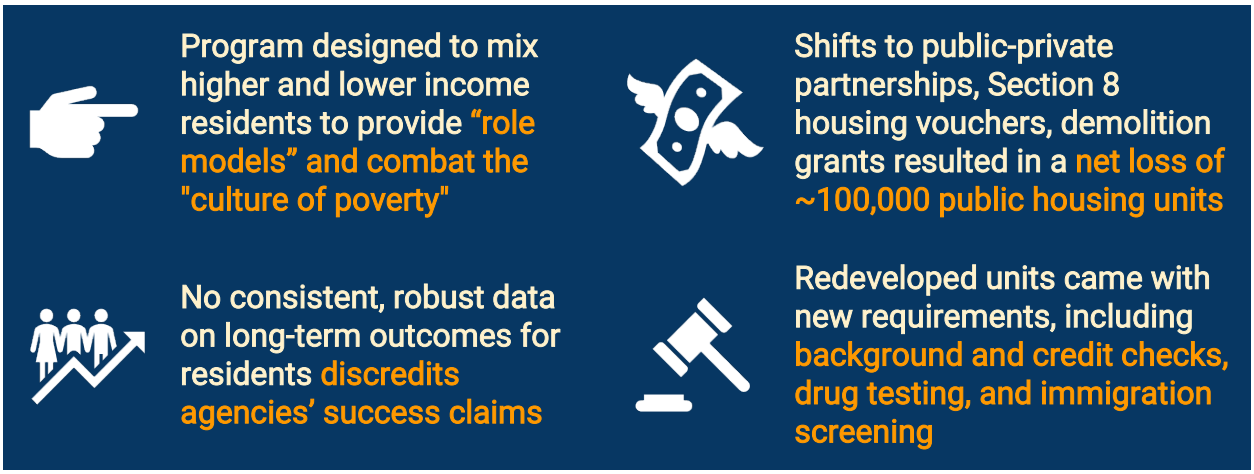
The sweeping retrenchment of social welfare programs in the 1990s did more than intensify poverty. It set the backdrop for a second, equally consequential shift: the federal government's embrace of a drastic shift in housing policy with the rollout of the Housing Opportunities for People Everywhere program, also known as HOPE VI. Through HOPE VI, entire public housing communities were razed, dispersed, or rebuilt in ways that deepened instability rather than alleviating it. As the next chapter on HOPE VI shows, these 1990s policies illustrate how easily destabilizing choices can cascade, and how their effects endure for those least able to bear them.

[294] Personal Responsibility and Work Opportunity Reconciliation Act of 1996, PUB. L. NO. 104-193, §903(a), 110 Stat. 2105, 2348 (1996), https://www.congress.gov/104/plaws/publ193/PLAW-104publ193.pdf; Laura Nichols & Barbara Gault, *Implications of Welfare Reform on Housing and School Instability*, 72 J. NEGRO EDUC. 104 (2003), /https://scholarcommons.scu.edu/cgi/viewcontent.cgi?article=1001&context=soc/.

[295] Laura Nichols & Barbara Gault, *Implications of Welfare Reform on Housing and School Instability*, 72 J. NEGRO EDUC. 104 (2003), /https://scholarcommons.scu.edu/cgi/viewcontent.cgi?article=1001&context=soc/.

[296] Laura Nichols & Barbara Gault, *Implications of Welfare Reform on Housing and School Instability*, 72 J. NEGRO EDUC. 104 (2003), /https://scholarcommons.scu.edu/cgi/viewcontent.cgi?article=1001&context=soc/.

Chapter 3 – HOPE VI & Public Housing: Destruction and Disinvestment



As discussed in Chapter II, in the mid to late 20th century, U.S. government policy and public discourse began to reflect the neoliberal belief that the private market, not the federal government, could and should solve social problems. Reductions and prejudicial modifications to the social safety net, such as food stamp cuts, welfare work requirements, and benefit eliminations for specific groups such as immigrants and people with disabilities, left the lowest-income individuals and families with substantially less public support and greater reliance on profit-motivated private actors.

Throughout the successive administrations of Lyndon B. Johnson, Richard Nixon, Gerald Ford, Jimmy Carter, Ronald Reagan, George H.W. Bush, and Bill Clinton, neoliberalism gained steam and expanded to affect affordable housing support programs. The focus of this part is the nation's response to the governmental neglect and abandonment of federally supported housing developments: the Housing Opportunities for People Everywhere program (1992-2010), which came to be known more colloquially as HOPE VI. This part explores its development, impacts, and criticisms over more than three decades of rigorous examination, as well as its relationship to the modern homelessness crisis.

In discussions surrounding governments' roles in addressing national homelessness, it is important to examine HOPE VI because the program marked a landmark shift away from the development of federally funded public housing and toward "public-private partnerships" (a core neoliberal concept) for providing shelter. HOPE VI has also been criticized for reinforcing the racist and classist neglect that continues to create barriers for homeless people today. HOPE VI has become a striking example of how government obfuscation and evasion of responsibility can produce real human suffering.

Section I of this chapter offers a curated history of affordable housing programs in the U.S. leading to the introduction of HOPE VI, with a focus on public housing (i.e., subsidized housing developments operated by federal, state, or local authorities). Section II details the

conception and originally stated intents of HOPE VI, including the political context for its various policy interventions. Section III examines the existing, often imprecise data on how the targeted housing sites and people were affected by HOPE VI, with an emphasis on the outcomes of the most vulnerable households. Finally, Section IV distills HOPE VI's legacy, federal retreat and privatization, along with the resulting supply and accountability gaps and the reforms needed to restore deeply affordable housing with enforceable returns, stronger protections, and transparent tracking.

I. INTRODUCTORY CONTEXT

The first effort by the U.S. federal government to directly create publicly subsidized housing occurred between 1933 and 1937 under the Public Works Administration's (PWA) Housing Division.[297] As stated by the agency's director in a 1936 report discussing the division's work: "the urban low-cost housing problem [was] no longer a purely academic subject, but [had] rather taken its place among the foremost issues of the day."[298] The agency oversaw the development of at least 50 projects in 35 cities; the first PWA public housing project, Techwood Homes, opened in Atlanta in 1936. The development of Techwood Homes displaced a largely Black neighborhood to make way for a whites-only public housing project—foreshadowing how future housing programs would involve similar discriminatory practices.[299]

Following PWA's initial public housing experiments, the U.S. Housing Act of 1937 was enacted as part of the New Deal response to widespread poverty caused by the Great Depression.[300] The legislation established the United States Housing Authority (USHA)'s federal-local framework of PHAs that are responsible for managing housing assistance subsidies within states.[301] USHA held the responsibility of administering the program, while PHAs had the power of site selection and project construction.[302] Local planners supported the new public housing system because it helped them clear slum-like conditions that plagued urban communities, whereas working-class individuals hoped this new housing option would provide better choices.[303]

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[297] H.A. GRAY, U.S. HOUS. AUTH., URBAN HOUSING: THE STORY OF THE P.W.A. HOUSING DIVISION, 1933-1936 (Aug. 15, 1936) (Forward).
[298] H.A. GRAY, U.S. HOUS. AUTH., URBAN HOUSING: THE STORY OF THE P.W.A. HOUSING DIVISION, 1933-1936 (Aug. 15, 1936) (Forward
[299] Techwood Homes, Georgia Historical Society, https://www.georgiahistory.com/ghmi_marker_updated/techwood-homes/ (last visited Oct. 17, 2025).
[300] Danielle P. Duryea, *Gendering the Gentrification of Public Housing: HOPE VI's Disparate Impact on Lowest-Income African American Women,* 13 GEO. J. POVERTY L. & POL'Y 567, 572 (2006), https://digitalcommons.law.buffalo.edu/journal_articles/633/.
[301] Danielle P. Duryea, *Gendering the Gentrification of Public Housing: HOPE VI's Disparate Impact on Lowest-Income African American Women,* 13 GEO. J. POVERTY L. & POL'Y 567, 572 (2006), https://digitalcommons.law.buffalo.edu/journal_articles/633/.
[302] *FDR and Housing Legislation: 75th Anniversary of the Wagner-Steagall Housing Act of 1937*, FRANKLIN D. ROOSEVELT LIBR. & MUSEUM (Sept. 1, 2012), https://www.fdrlibrary.org/housing.
[303] *FDR and Housing Legislation: 75th Anniversary of the Wagner-Steagall Housing Act of 1937*, FRANKLIN D. ROOSEVELT LIBR. & MUSEUM (2012), https://www.fdrlibrary.org/housing.

The mid- to late-1900s in the U.S. marked an era of exponential growth in public housing units, yet federal oversight in property management caused a steady deterioration in the quality of these units. By the early 1940s, the federal government had participated in the construction of more than 132,000 public housing units across the country.[304] Although production waned during World War II, the Housing Act of 1949 authorized even more construction.[305] By 1973, there were approximately one million public housing units; that figure would peak at approximately 1.4 million in the mid-1990s.[306] Although the number of units grew, the government did not adequately fund the continued maintenance of these properties.[307] This failure led to the deterioration of the housing stock and laid the foundation for criticisms of government-managed housing.

Federal oversight of public housing property management caused a steady deterioration in the quality of these units.

Public housing production declined significantly following the passage of the Housing and Community Development Act of 1974.[308] The Act established the Section 8 tenant-based housing voucher program, shifting the government's priorities away from supply-side (i.e., direct housing development) to demand-side housing assistance (i.e., providing financial assistance to tenants to find private housing). Presidents Richard Nixon and Gerald Ford championed this shift, wanting to release the government from the responsibility of housing development and management for the poor.[309]

A. Demographics and public housing

American public housing began in the 1930s with an embedded system of discrimination: PHAs separated projects by race, and in many cases demolished existing Black residences to build white-only public housing projects.[310] This segregation in public housing persisted after World War II; white communities often reacted violently and resisted perceived

[304] Alexander von Hoffman, *History Lessons for Today's Housing Policy: The Politics of Low-Income Housing*, 22 HOUS. POL'Y DEBATE (2012), https://doi.org/10.1080/10511482.2012.680478

[305] Alexander von Hoffman, *History Lessons for Today's Housing Policy: The Politics of Low-Income Housing*, 22 HOUS. POL'Y DEBATE (2012), https://doi.org/10.1080/10511482.2012.680478.

[306]Alexander von Hoffman, *History Lessons for Today's Housing Policy: The Politics of Low-Income Housing*, 22 HOUS. POL'Y DEBATE (2012), https://doi.org/10.1080/10511482.2012.680478.

[307] Danielle P. Duryea, *Gendering the Gentrification of Public Housing: HOPE VI's Disparate Impact on Lowest-Income African American Women,* 13 GEO. J. POVERTY L. & POL'Y 567, 572 (2006), https://digitalcommons.law.buffalo.edu/journal_articles/633/.

[308] Ed Gramlich, *Public Housing* (2025), https://nlihc.org/sites/default/files/AG-2025/4-42_Public-Housing.pdf.

[309] Ernest Hoisendolph, *1974 Housing Act Helping Few of the Nation's Poor*, N.Y TIMES (1975), https://www.nytimes.com/1975/11/02/archives/1974-housing-act-helping-few-of-the-nations-poor-housing-act-of.html.

[310] ALEXANDER VON HOFFMAN, PROBLEMS AND PROGRESS: PUBLIC HOUSING IN AN AMERICAN SOCIAL SYSTEM 9 (Joint Ctr. for Hous. Stud. of Harvard Univ. 2024), https://www.jchs.harvard.edu/sites/default/files/research/files/harvard_jchs_public_housing_von_hoffman_2024.pdf.

attempts at integration when Black or even mixed-race housing developments were proposed in white neighborhoods.[311]

Meanwhile, similarly racist housing practices encouraged the exodus of white Americans from urban centers to suburban single-family homes. As documented extensively in Richard Rothstein's *The Color of Law*, white buyers received benefits like extremely generous federally subsidized loans to buy suburban homes while Black Americans had to face significantly higher economic and social costs in securing housing, including physical violence in many cases when attempting to move into housing in primarily white suburban neighborhoods.[312] The policy choices that systematically marginalized non-white Americans in need of housing support further entrenched patterns of residential segregation with increasing concentrations of Black and Hispanic residents in inner-city public housing properties throughout the 20th century.[313]

Black and Hispanic residents were concentrated in inner-city public housing throughout the 20th century.

According to the 1991 American Housing Survey, public housing tenants in the early 1990s faced severe poverty, limited economic mobility, and significant social and financial vulnerability.[314] The median income for a three-person household in public housing was between $3,000 and $7,338 below the national poverty line.[315] Only 21 percent of tenants reported earning wages or salaries, while 43 percent relied on Social Security, and 44 percent received other forms of public assistance. About 40 percent of units were occupied by tenants aged 65 or older, most of whom lived alone, and 58 percent of household heads had not completed high school.[316] This combination of economic hardship, advanced age, and low educational attainment left public housing residents especially vulnerable to the social welfare policy changes of the late 20th century, which had a profound impact on their housing stability and overall well-being.

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[311] Alexander von Hoffman, *History Lessons for Today's Housing Policy: The Politics of Low-Income Housing*, 22 HOUS. POL'Y DEBATE (2012), https://doi.org/10.1080/10511482.2012.680478.

[312] RICHARD ROTHSTEIN, THE COLOR OF LAW 182–83 (Liveright Publ'g Corp. 2017)

[313] Danielle P. Duryea, *Gendering the Gentrification of Public Housing: HOPE VI's Disparate Impact on Lowest-Income African American Women,* 13 GEO. J. POVERTY L. & POL'Y 567, 572 (2006), https://digitalcommons.law.buffalo.edu/journal_articles/633/.

[314] U.S. DEP'T OF HOUS. & URB DEV., U.S. HOUSING MARKET CONDITIONS SERIES: PUBLIC HOUSING: IMAGE VERSUS FACTS (1995) (drawing on the 1991 American Housing Survey), https://www.huduser.gov/periodicals/ushmc/1stqtr95.txt; U.S. DEP'T. OF HOUS. & URB. DEV., OFF. OF POL'Y DEV. & RSCH., WORST CASE NEEDS FOR HOUSING ASSISTANCE IN THE UNITED STATES IN 1990 AND 1991 (1994), https://www.huduser.gov/portal/Publications/pdf/wc_90-91.pdf.

[315] U.S. DEP'T OF HOUS. & URB DEV., U.S. HOUSING MARKET CONDITIONS SERIES: PUBLIC HOUSING: IMAGE VERSUS FACTS (1995), https://www.huduser.gov/periodicals/ushmc/1stqtr95.txt.

[316] U.S. DEP'T OF HOUS. & URB DEV., U.S. HOUSING MARKET CONDITIONS SERIES: PUBLIC HOUSING: IMAGE VERSUS FACTS (1995), https://www.huduser.gov/periodicals/ushmc/1stqtr95.txt.

B. Conditions of public housing

While policymakers funded the construction of thousands of housing units, they did not adequately address the funding needed to maintain those public housing developments. In many cases, the cost of upkeep exceeded the revenue generated by fixed rents, and authorities failed to secure new funding appropriations.[317]

This lack of funding resulted in severely dilapidated properties; studies of the public housing developments documented issues with broken elevators forcing arthritic or asthmatic tenants to climb stair flights, trash piles in broken incinerators, and infestations of rodents and insects.[318] Other problems included water leaks, inoperable heating or air conditioning, plumbing barriers, and mold, which were often exacerbated by unresponsive property management teams.[319] Due to this neglect, public housing developments in the 1970s, '80s, and '90s generally housed only the lowest-income households who were willing to live in such poor conditions.[320]

The 1991 American Housing Survey revealed that public housing tenants also found their surrounding neighborhoods to be subpar. More than a quarter of those in public housing rentals said crime was a problem in their neighborhood compared to 12 percent of renters overall.[321] Disproportionate shares of public housing tenants also said that their units were near vandalized buildings (14 percent to 3 percent) or were in neighborhoods where public littering was a problem (40 percent to 17 percent).[322]

As a result, properties often suffered from a large number of vacant units. The volume of empty residences caused further declines in maintenance funding and became common targets for theft, thereby worsening living conditions for existing residents.[323] By the early 1990s, public housing was widely viewed by Americans as a failure. The public viewed the properties as dilapidated and unlikely to improve in the face of government fraud and mismanagement.[324]

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[317] Danielle P. Duryea, *Gendering the Gentrification of Public Housing: HOPE VI's Disparate Impact on Lowest-Income African American Women,* 13 GEO. J. POVERTY L. & POL'Y 567, 572 (2006), https://digitalcommons.law.buffalo.edu/journal_articles/633/.
[318] SUSAN J. POPKIN ET AL., URB. INST. JUST. POL'Y CTR., HOPE VI PANEL STUDY: BASELINE REPORT 3-1, (2002), https://www.urban.org/research/publication/hope-vi-panel-study-baseline-report.
[319] SUSAN POPKIN ET AL., A DECADE OF HOPE VI: RESEARCH FINDINGS AND POLICY CHALLENGES 7–8 (Urb. Inst. & Brookings Inst. 2004).
[320] NAT'L COMM'N ON SEVERELY DISTRESSED PUB. HOUS., THE FINAL REPORT OF THE NATIONAL COMMISSION ON SEVERELY DISTRESSED PUBLIC HOUSING xiii, 1 (Aug. 1992), https://www.huduser.gov/portal/portal/sites/default/files/pdf/The-Final-Report-of-the-National-Commission-on-Severely-Distressed-Public-Housing-.pdf.
[321] U.S. DEP'T OF HOUS. & URB DEV., U.S. HOUSING MARKET CONDITIONS SERIES: PUBLIC HOUSING: IMAGE VERSUS FACTS (1995), https://www.huduser.gov/periodicals/ushmc/1stqtr95.txt.
[322] U.S. DEP'T OF HOUS. & URB DEV., U.S. HOUSING MARKET CONDITIONS SERIES: PUBLIC HOUSING: IMAGE VERSUS FACTS (1995), https://www.huduser.gov/periodicals/ushmc/1stqtr95.txt.
[323] SUSAN J POPKIN ET AL., A DECADE OF HOPE VI (2004), https://www.urban.org/sites/default/files/alfresco/publication-pdfs/411002-A-Decade-of-HOPE-VI.PDF.
[324] Danielle P. Duryea, *Gendering the Gentrification of Public Housing: HOPE VI's Disparate Impact on Lowest-Income African American Women,* 13 GEO. J. POVERTY L. & POL'Y 567, 572 (2006), https://digitalcommons.law.buffalo.edu/journal_articles/633/; SUSAN J. POPKIN ET AL., URB. INST. JUST. POL'Y CTR., HOPE VI PANEL STUDY: BASELINE REPORT 3–4, (2002), https://www.urban.org/research/publication/hope-vi-panel-study-baseline-report.

II. NEW LAWS AND POLICIES

Shortly after taking office in 1989, President George H.W. Bush signed the Department of Housing and Urban Development Reform Act into law with the supposed intent of addressing the dilapidated conditions of the nation's public housing stock.[325] The Act created the National Commission on Severely Distressed Public Housing, with the mandate to identify "severely distressed" public housing properties and develop a federal action plan to address their problems.[326]

The Commission conducted 18 months of review, site visits, and analysis before issuing its final report in 1992.[327] The report identified 86,000 units, about 6 percent of the U.S. public housing stock, as "severely distressed" based on factors including vacancy rates, family distress, crime rates, and physical deterioration.[328] The Commission responded by creating a $7.5 billion national plan, HUD's Urban Revitalization Demonstration Program, and later renamed it HOPE VI.[329]

The Commission crafted an initiative aimed at supporting residents, enhancing the physical condition of housing, and correcting problems in property management.[330] To achieve its goals, the Commission encouraged Congress to create a "new partnership program" between the federal government, PHAs, civil society, and the private sector to attract additional resources.[331]

HOPE VI consisted of several policy interventions and implementation frameworks that developed over time—including improving physical housing conditions, increasing opportunities to access social services, addressing property management issues, and pivoting to public-private partnerships. Therefore, it is best understood as an evolving collection of programs rather than one set program.[332] Over time, the sites targeted shifted from the most distressed sites to those with the greatest potential for private investor interest.[333] HOPE VI

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[325] Danielle P. Duryea, *Gendering the Gentrification of Public Housing: HOPE VI's Disparate Impact on Lowest-Income African American Women,* 13 GEO. J. POVERTY L. & POL'Y 567, 572 (2006), https://digitalcommons.law.buffalo.edu/journal_articles/633/.
[326] NAT'L HOUS. L. PROJECT, POVERTY & RACE RSCH. ACTION COUNCIL, SHERWOOD RSCH. ASSOCS., & EVERYWHERE & NOW PUB. HOUS. RESIDENTS ORG. NAT'LLY TOGETHER (ENPHRONT), FALSE HOPE: A CRITICAL ASSESSMENT OF THE HOPE VI PUBLIC HOUSING REDEVELOPMENT PROGRAM (2002), https://www.nhlp.org/files/FalseHOPE.pdf.
[327] SUSAN J. POPKIN ET AL., URB. INST. JUST. POL'Y CTR., HOPE VI PANEL STUDY: BASELINE REPORT 1–1, 1–2, (2002), https://www.urban.org/research/publication/hope-vi-panel-study-baseline-report.
[328] Danielle P. Duryea, *Gendering the Gentrification of Public Housing: HOPE VI's Disparate Impact on Lowest-Income African American Women,* 13 GEO. J. POVERTY L. & POL'Y 567, 572 (2006), https://digitalcommons.law.buffalo.edu/journal_articles/633/.
[329] NAT'L HOUS. L. PROJECT, POVERTY & RACE RSCH. ACTION COUNCIL, SHERWOOD RSCH. ASSOCS., & EVERYWHERE & NOW PUB. HOUS. RESIDENTS ORG. NAT'LLY TOGETHER (ENPHRONT), FALSE HOPE: A CRITICAL ASSESSMENT OF THE HOPE VI PUBLIC HOUSING REDEVELOPMENT PROGRAM (2002), https://www.nhlp.org/files/FalseHOPE.pdf.
[330] NAT'L HOUS. L. PROJECT, POVERTY & RACE RSCH. ACTION COUNCIL, SHERWOOD RSCH. ASSOCS., & EVERYWHERE & NOW PUB. HOUS. RESIDENTS ORG. NAT'LLY TOGETHER (ENPHRONT), FALSE HOPE: A CRITICAL ASSESSMENT OF THE HOPE VI PUBLIC HOUSING REDEVELOPMENT PROGRAM (2002), https://www.nhlp.org/files/FalseHOPE.pdf.
[331] *When Hope Falls Short: HOPE VI, Accountability, and the Privatization of Public Housing*, 116 HARV. LAW REV. (2003), https://www.jstor.org/stable/1342733.
[332] SUSAN POPKIN ET AL., A DECADE OF HOPE VI: RESEARCH FINDINGS AND POLICY CHALLENGES 19 (Urb. Inst. & Brookings Inst. 2004).
[333] NAT'L HOUS. L. PROJECT, POVERTY & RACE RSCH. ACTION COUNCIL, SHERWOOD RSCH. ASSOCS., & EVERYWHERE & NOW PUB. HOUS. RESIDENTS ORG. NAT'LLY TOGETHER (ENPHRONT), FALSE HOPE: A CRITICAL ASSESSMENT OF THE HOPE VI PUBLIC HOUSING REDEVELOPMENT PROGRAM (2002), https://www.nhlp.org/files/FalseHOPE.pdf.

fundamentally reshaped the way that HUD interfaced with housing assistance for low-income households, and its impacts have been broad.[334]

A. Improving physical housing conditions

The initial stated objectives of HOPE VI included the improvement of housing conditions through the "demolition, rehabilitation, reconfiguration, or replacement of obsolete projects", justifying large-scale eradication of public housing through a comprehensive revitalization strategy rather than just simple repairs.[335] To support this objective, HOPE VI made competitive funding grants available to PHAs to demolish and revitalize units.[336] To receive a grant, a local PHA had to propose a specific development plan and demonstrate how the proposal would support federal policy goals, such as by eliminating the concentration of neighborhood poverty.[337]

B. Providing enhanced economic opportunities and social services

The HOPE VI program sought not only to improve public housing through physical redevelopment but also to transform the social and economic environment of low-income neighborhoods. Policymakers introduced "mixed-income" strategies and community-focused social services with the goal of promoting upward economic mobility, reducing concentrated poverty, and enhancing quality of life for residents. However, the mixed-income strategies were unsupported by research, and the effectiveness of social services often varied depending on implementation.

4. Rise of "mixed-income" policies

Beyond providing direct resources and services to residents of redeveloped HOPE VI properties, policymakers theorized that promoting "mixed-income" redevelopment sites would lead to positive behavioral changes for low-income households.[338] The underlying assumption is that creating a better living environment and introducing people with higher levels of financial security would lead to steady employment and upward mobility for people at the bottom of the income distribution.[339] Breaking up the concentration of low-income households was sometimes referred to as combating the "culture of poverty."[340] HUD and its supporters

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[334] SUSAN POPKIN ET AL., A DECADE OF HOPE VI: RESEARCH FINDINGS AND POLICY CHALLENGES 13–14 (Urb. Inst. & Brookings Inst. 2004).
[335] NAT'L COMM'N ON SEVERELY DISTRESSED PUB. HOUS., THE FINAL REPORT OF THE NATIONAL COMMISSION ON SEVERELY DISTRESSED PUBLIC HOUSING: A REPORT TO THE CONGRESS AND THE SECRETARY OF HOUSING AND URBAN DEVELOPMENT (U.S. Dep't of Hous. & Urb. Dev. Off. of Pol'y Dev. and Rsch. 1992), https://www.huduser.gov/Portal/publications/The-Final-Report-of-the-National-Commission-on-Severely-Distressed-Public-Housing.html.
[336] *When Hope Falls Short: HOPE VI, Accountability, and the Privatization of Public Housing*, 116 HARV. LAW REV. (2003), https://www.jstor.org/stable/1342733.
[337] Matthew H. Greene, *The Hope VI Paradox: Why Do HUD's Most Successful Housing Developments Fail to Benefit the Poorest of the Poor?*, 17 J. L. POLICY (2008), https://brooklynworks.brooklaw.edu/jlp/vol17/iss1/6/.
[338] Matthew H. Greene, *The Hope VI Paradox: Why Do HUD's Most Successful Housing Developments Fail to Benefit the Poorest of the Poor?*, 17 J. L. POLICY (2008), https://brooklynworks.brooklaw.edu/jlp/vol17/iss1/6/.
[339] Matthew H. Greene, *The Hope VI Paradox: Why Do HUD's Most Successful Housing Developments Fail to Benefit the Poorest of the Poor?*, 17 J. L. POLICY (2008), https://brooklynworks.brooklaw.edu/jlp/vol17/iss1/6/.
[340] Arthur M. Wolfson, *Lost in the Rubble: How the Destruction of Public Housing Fails to Account for the Loss of Community*, 9 CHAPMAN L. REV. (2005), https://digitalcommons.chapman.edu/cgi/viewcontent.cgi?article=1084&context=chapman-law-review.

claimed that beyond having "role models" in the form of higher-income neighbors, having the mix of incomes would yield mutually beneficial networking relationships and reduced isolation for public housing residents.[341] Despite these theoretical assumptions, research at the time had not established the validity of this mixed-income approach, thereby undermining HUD's justifications for mixed-income developments.[342] Meanwhile, the redevelopment of the public housing sites placed upward pressure on surrounding home values and rents, thereby creating even more expensive communities for low-income residents to access.[343]

With the loss of affordable units and higher housing costs occurring in disjointed pockets throughout urban areas, poor individuals and families moved to nearby areas through other housing assistance, displaced to extremely impoverished neighborhoods.[344] Beyond HOPE VI's stated intentions, focusing on improved outcomes for buildings, residents, and management, policymakers naively believed that the program provided an opportunity to make better use of residential space by making way for mixed-use apartments with higher rents.[345] A perceived advantage of mixed-income housing was that it would diversify rental income types, thereby reducing reliance on federal subsidies for operations and debt service.[346] They believed that bringing in higher-income residents would raise the quality of housing, local amenities, and public services, since these residents would expect more from their community than current residents did.[347] Regardless of these theoretical benefits, the HOPE VI model relied on saving space for higher-income households while relocating lower-income tenants to other neighborhoods with Section 8 vouchers.[348]

The displacement of already marginalized communities achieved through the reduction of public housing in favor of market-rate units and moving lower-income families out of neighborhoods occurred at the same time as other federal policy changes. One example of this is the elimination of the one-for-one public housing unit replacement requirement, sharply reducing the number of public housing units for displaced residents.[349]

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[341] NAT'L HOUS. L. PROJECT, POVERTY & RACE RSCH. ACTION COUNCIL, SHERWOOD RSCH. ASSOCS., & EVERYWHERE & NOW PUB. HOUS. RESIDENTS ORG. NAT'LLY TOGETHER (ENPHRONT), FALSE HOPE: A CRITICAL ASSESSMENT OF THE HOPE VI PUBLIC HOUSING REDEVELOPMENT PROGRAM (2002), https://www.nhlp.org/files/FalseHOPE.pdf.

[342] NAT'L HOUS. L. PROJECT, POVERTY & RACE RSCH. ACTION COUNCIL, SHERWOOD RSCH. ASSOCS., & EVERYWHERE & NOW PUB. HOUS. RESIDENTS ORG. NAT'LLY TOGETHER (ENPHRONT), FALSE HOPE: A CRITICAL ASSESSMENT OF THE HOPE VI PUBLIC HOUSING REDEVELOPMENT PROGRAM (2002), https://www.nhlp.org/files/FalseHOPE.pdf.

[343] Lizhong Liu, *The Effects of Neighborhood Redevelopment on Housing Markets and Beyond: Evidence from HOPE VI Revitalization Programs* 12 (Mar. 6, 2025), https://ssrn.com/abstract=5168791.

[344] Edward Goetz, *Better Neighborhoods, Better Outcomes? Explaining Relocation Outcomes in HOPE VI*, 12 CITYSCAPE J. POLICY DEV. RES. 5, 7 (2010).

[345] Arthur M. Wolfson, *Lost in the Rubble: How the Destruction of Public Housing Fails to Account for the Loss of Community*, 9 CHAPMAN L. REV. (2005), https://digitalcommons.chapman.edu/cgi/viewcontent.cgi?article=1084&context=chapman-law-review.

[346] SUSAN POPKIN ET AL., A DECADE OF HOPE VI: RESEARCH FINDINGS AND POLICY CHALLENGES 26 (Urb. Inst. & Brookings Inst. 2004).

[347] NAT'L HOUS. L. PROJECT, POVERTY & RACE RSCH. ACTION COUNCIL, SHERWOOD RSCH. ASSOCS., & EVERYWHERE & NOW PUB. HOUS. RESIDENTS ORG. NAT'LLY TOGETHER (ENPHRONT), FALSE HOPE: A CRITICAL ASSESSMENT OF THE HOPE VI PUBLIC HOUSING REDEVELOPMENT PROGRAM (2002), https://www.nhlp.org/files/FalseHOPE.pdf.

[348] NAT'L HOUS. L. PROJECT, POVERTY & RACE RSCH. ACTION COUNCIL, SHERWOOD RSCH. ASSOCS., & EVERYWHERE & NOW PUB. HOUS. RESIDENTS ORG. NAT'LLY TOGETHER (ENPHRONT), FALSE HOPE: A CRITICAL ASSESSMENT OF THE HOPE VI PUBLIC HOUSING REDEVELOPMENT PROGRAM (2002), https://www.nhlp.org/files/FalseHOPE.pdf.

[349] SUSAN POPKIN ET AL., A DECADE OF HOPE VI: RESEARCH FINDINGS AND POLICY CHALLENGES 13 (Urb. Inst. & Brookings Inst. 2004).

5. Providing social services to residents

In their final report, the Commission warned that previous revitalization programs had focused too narrowly on public housing buildings without considering how to improve the broader living conditions for the tenants.[350] The Commission's inclusion of a community and a supportive service component was the first time the federal government sought to integrate housing support and social services in an effort to help address poverty, crime, and general instability.[351]

The federal government made modest commitments to services that eroded over time. As part of the 1993 appropriations law that authorized the creation of HOPE VI, Congress designated $60 million to be set aside for community resources and supportive services such as literacy training, career coaching, and day care.[352] The initial legislation required a community services support component within each PHA grant application and incentivized the provision of social services by matching federal funding up to 15 percent of the grant amount.[353] Both the original allocation and the federal funding match amounts declined over time. [354]

As funding for general resident support decreased, policymakers focused more on resident services by adding relocation services and requiring support for tenants who didn't return to HOPE VI sites.[355] Despite these efforts, local housing authorities had significant discretion in their implementation of the social services on the ground, leading to significant variance across jurisdictions.[356]

C. Addressing property management issues

The Commission expressed the need for innovation in property management and resident engagement in their final report, insisting that "residents must be consulted early, often, and continuously on the physical and management needs of a property to revitalize it and to sustain its long-term viability."[357] HUD encouraged innovations in property management, with particular emphasis on contracting with private management companies.[358]

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[350] NAT'L COMM'N ON SEVERELY DISTRESSED PUB. HOUS., THE FINAL REPORT OF THE NATIONAL COMMISSION ON SEVERELY DISTRESSED PUBLIC HOUSING: A REPORT TO THE CONGRESS AND THE SECRETARY OF HOUSING AND URBAN DEVELOPMENT (U.S. Dep't of Hous. & Urb. Dev. Off. of Pol'y Dev. and Rsch. 1992), https://www.huduser.gov/Portal/publications/The-Final-Report-of-the-National-Commission-on-Severely-Distressed-Public-Housing.html.

[351] SUSAN J. POPKIN ET AL., URB. INST. JUST. POL'Y CTR., HOPE VI PANEL STUDY: BASELINE REPORT 1–2, 1–3 (2002), https://www.urban.org/research/publication/hope-vi-panel-study-baseline-report.

[352] SUSAN POPKIN ET AL., A DECADE OF HOPE VI: RESEARCH FINDINGS AND POLICY CHALLENGES 10 (Urb. Inst. & Brookings Inst. 2004).

[353] Danielle P. Duryea, *Gendering the Gentrification of Public Housing: HOPE VI's Disparate Impact on Lowest-Income African American Women,* 13 GEO. J. POVERTY L. & POL'Y 567, 572 (2006), https://digitalcommons.law.buffalo.edu/journal_articles/633/..

[354] SUSAN J. POPKIN ET AL., URB. INST. JUST. POL'Y CTR., HOPE VI PANEL STUDY: BASELINE REPORT 1–3 (2002), https://www.urban.org/research/publication/hope-vi-panel-study-baseline-report.

[355] SUSAN J. POPKIN ET AL., URB. INST. JUST. POL'Y CTR., HOPE VI PANEL STUDY: BASELINE REPORT 1–3 (2002), https://www.urban.org/research/publication/hope-vi-panel-study-baseline-report.

[356] SUSAN POPKIN ET AL., A DECADE OF HOPE VI: RESEARCH FINDINGS AND POLICY CHALLENGES 13–14 (Urb. Inst. & Brookings Inst. 2004).

[357] NAT'L COMM'N ON SEVERELY DISTRESSED PUB. HOUS., THE FINAL REPORT OF THE NATIONAL COMMISSION ON SEVERELY DISTRESSED PUBLIC HOUSING: A REPORT TO THE CONGRESS AND THE SECRETARY OF HOUSING AND URBAN DEVELOPMENT (U.S. Dep't of Hous. & Urb. Dev. Off. of Pol'y Dev. and Rsch. 1992), https://www.huduser.gov/Portal/publications/The-Final-Report-of-the-National-Commission-on-Severely-Distressed-Public-Housing.html.

[358] SUSAN POPKIN ET AL., A DECADE OF HOPE VI: RESEARCH FINDINGS AND POLICY CHALLENGES 26 (Urb. Inst. & Brookings Inst. 2004).

HOPE VI catalyzed a broad deregulation and "entrepreneurial" turn in public housing management, streamlining rules and promoting asset-management models in which on-site operations were commonly subcontracted to private management firms under mixed-finance structures.[359] HUD also encouraged leveraging Low-Income Housing Tax Credit (LIHTC) equity and private debt and allowed higher per-unit development costs in part to lower long-run maintenance burdens, linking physical design choices to property management durability and vandalism resistance.[360]

D. Pivot to public-private partnerships

Much of the change in public housing policy, production, and management relied on collaboration with the private sector. In rewarding HOPE VI grants, HUD placed emphasis on local housing authorities' ability to develop partnerships with private-sector developers and management firms.[361] Over time, the private sector took on a significant role in HOPE VI: with developers encouraged to use the federal funds to leverage private debt and equity, in addition to other government and philanthropic sources.[362] Such regulatory changes, including the 1996 Mixed-Finance Rule, enabled this extensive leveraging of HOPE VI funds and underscore how other policy interventions intersected with the program. [363]

HOPE VI promised to improve public housing and residents' lives, but in practice, it often prioritized market interests over protecting low-income tenants. Mixed-income redevelopment displaced many original residents to make way for higher-rent units, while social services were underfunded and inconsistently implemented. Privatized management and public-private partnerships favored efficiency and profit over equitable outcomes. As a result, the program's physical improvements to the targeted sites came at the cost of displacement for many of the residents of the HOPE VI sites.

III. IMPACTS ON HOUSING AND HOMELESSNESS

HOPE VI's legacy is one of destruction disguised as compassionate reform. Rather than revitalizing public housing, the program permanently eliminated affordable units and displaced tens of thousands of families, predominantly low-income households of color, into instability, segregation, or homelessness. HUD's weak oversight, suspended replacement requirements, and flawed mixed-income model traded low-cost housing for aesthetic redevelopment and private investment. The following sections trace

HOPE VI's legacy is one of destruction disguised as compassionate.

[359] Susan Popkin Et Al., A Decade Of Hope Vi: Research Findings And Policy Challenges 16 (Urb. Inst. & Brookings Inst. 2004).
[360] Susan Popkin Et Al., A Decade Of Hope Vi: Research Findings And Policy Challenges 21 (Urb. Inst. & Brookings Inst. 2004).
[361] Susan Popkin Et Al., A Decade Of Hope Vi: Research Findings And Policy Challenges 26 (Urb. Inst. & Brookings Inst. 2004).
[362] Taryn H. Gress, Mark L. Joseph & Seungjong Cho, *Confirmations, New Insights, and Future Implications for HOPE VI Mixed-Income Redevelopment*, 21 CITYSCAPE: A J. Of Pol'y Dev. & Rsch. 185, 188–89 (2019).
[363] Taryn H. Gress, Mark L. Joseph & Seungjong Cho, *Confirmations, New Insights, and Future Implications for HOPE VI Mixed-Income Redevelopment*, 21 CITYSCAPE: A J. Of Pol'y Dev. & Rsch. 185, 188–89 (2019).

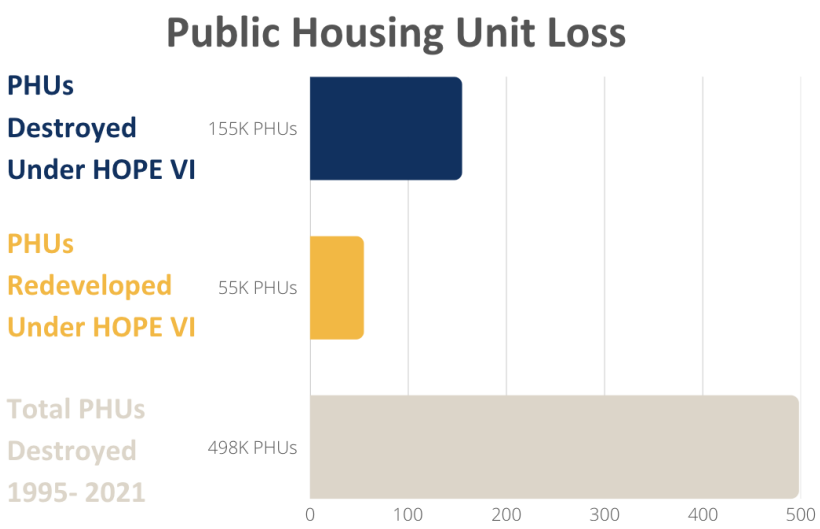
the human consequences of these policies: the massive loss of public housing, the dislocation of families through confusing relocation processes, and the limited or harmful outcomes across the few available options for displaced residents—moving to other public housing, relying on Section 8 vouchers, attempting to return to redeveloped sites, or slipping into hidden homelessness. Together, these outcomes reveal a program that deepened inequality, obscured displacement through poor data, and redefined "revitalization" as exclusion.

A. Destruction of affordable housing and displacement

HUD's HOPE VI program, hindered by poor oversight, dismal data tracking, and a flawed mixed-income redevelopment strategy, ultimately destroyed far more public housing than it replaced, trading low-income accessibility for aesthetic improvement and displacing tens of thousands of impoverished families of color.

Over this period, demolition-driven revitalization eliminated a huge share of public housing stock. Between the mid-1990s through 2010, HUD destroyed approximately 200,000 public housing units total.[364] They demolished an estimated 155,000 of these units through HOPE VI grants.[365] The exact number of public housing units lost throughout HOPE VI is unknown because of HUD's lack of consistent grant oversight and failure to perform required reviews.[366]

Federal efforts of redevelopment replaced only a fraction of what was lost, institutionalizing in a structural shortfall. The redeveloped HOPE VI sites included around 55,000 public housing units: a net loss of around 100,000 public housing units total.[367] Overall, between 1995 to 2021, local PHAs demolished around 498,708 public housing units, including some removed through HOPE VI.[368] They



[364] Ed Gramlich, *Public Housing, in* THE 2025 ADVOCATES' GUIDE 4–42, 4–43 (Nat'l Low Income Hous. Coalition ed., 2025), https://nlihc.org/sites/default/files/AG-2025/4-42_Public-Housing.pdf.
[365] Taryn H. Gress, Mark L. Joseph & Seungjong Cho, *Confirmations, New Insights, and Future Implications for HOPE VI Mixed-Income Redevelopment*, 21 CITYSCAPE: A J. OF POL'Y DEV. & RSCH. 185, 191–92 (2019).
[366] Lawrence J. Vale, Shomon Shamsuddin & Nicholas Kelly, *Broken Promises or Selective Memory Planning? A National Picture of HOPE VI Plans and Realities*, 28 HOUS. POL'Y DEBATE 746, 763 (2018), https://doi.org/10.1080/10511482.2018.1458245.
[367] Taryn H. Gress, Mark L. Joseph & Seungjong Cho, *Confirmations, New Insights, and Future Implications for HOPE VI Mixed-Income Redevelopment*, 21 CITYSCAPE: A J. OF POL'Y DEV. & RSCH. 185, 192 (2019).
[368] HOUSEKEYS ACTION NETWORK DENVER, PIPE DREAMS & PICKET FENCES: DIRECTION FROM DENVER'S HOUSELESS PEOPLE ON HOUSING NEEDS AND PRIORITIES IN THE CONTEXT OF TODAY'S PUBLIC HOUSING 75 (2023), https://wraphome.org/pipe-dreams-and-picket-fences/.

replaced around 85 percent of the demolished units with affordable housing units, available for those with low and moderate incomes.[369] While the housing developments were of higher quality, the reductions in population density and mixed-income approach led to an overall loss in housing units available for very low-income households.[370]

Congress suspended the one-for-one replacement requirement of demolished public units in 1995, worsening the net loss of public housing units under HOPE VI by allowing demolition-only grants.[371] These demolition-only grants eliminated roughly fifty-six thousand public housing units, and none were ever replaced. [372]

The loss of public housing units is even greater than the existing data shows. As of 2015, almost 25 percent of HOPE VI projects remained unfinished, meaning there is likely even more overall unit loss than reports indicate.[373] Further, the complete picture of outcomes for former residents is difficult to determine, since the studies HUD conducted did not track outcomes for the former residents.[374] Rather than revitalizing public housing, HOPE VI's demolitions and weak replacement policies produced a net loss of about 100,000 public units, worsening inequality and limiting access to affordable housing for the poorest Americans.

The HOPE VI program's demolition and relocation policies disproportionately harmed low-income residents of color by displacing them into unstable housing situations through a confusing and poorly managed relocation process. The forced relocation of HOPE VI residents primarily affected people of color as most displaced residents who did not return to HOPE VI sites were people of color.[375] HOPE VI sites also impacted the poorest of the poor, with the average HOPE VI original household being likely to be even poorer than the average public housing household.[376] Many HOPE VI households found the relocation process confusing and extremely stressful: housing authorities often provided poor information about resident

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[369] TARYN GRESS, SEUNGJONG CHO & MARK JOSEPH, U.S. DEP. OF HOUS. & URB. DEV., HOPE VI DATA COMPILATION AND ANALYSIS 12 (2016), https://www.huduser.gov/portal/sites/default/files/pdf/HOPE-VI-Data-Compilation-and-Analysis.pdf.
[370] SUSAN J. POPKIN ET AL., A DECADE OF HOPE VI: RESEARCH FINDINGS AND POLICY CHALLENGES 31 (2004), https://www.urban.org/sites/default/files/alfresco/publication-pdfs/411002-A-Decade-of-HOPE-VI.PDF at 31.
[371] Ed Gramlich, *Public Housing*, in THE 2025 ADVOCATES' GUIDE 4–42, 4–43 (Nat'l Low Income Hous. Coalition ed., 2025), https://nlihc.org/sites/default/files/AG-2025/4-42_Public-Housing.pdf.
[372] Taryn H. Gress, Mark L. Joseph & Seungjong Cho, *Confirmations, New Insights, and Future Implications for HOPE VI Mixed-Income Redevelopment*, 21 CITYSCAPE: A J. OF POL'Y DEV. & RSCH. 185, 192 (2019).
[373] Lawrence J. Vale, Shomon Shamsuddin & Nicholas Kelly, *Broken Promises or Selective Memory Planning? A National Picture of HOPE VI Plans and Realities*, 28 HOUS. POL'Y DEBATE 746, 751 https://doi.org/10.1080/10511482.2018.1458245.
[374] MEAGAN CAHILL, SAMANTHA LOWRY, P. MITCHELL DOWNEY, MOVIN' OUT: CRIME AND HUD'S HOPE VI INITIATIVE 2 (URB. INST. JUST. POL'Y CTR. 2011), https://www.urban.org/sites/default/files/publication/27481/412385-movin-out-crime-and-hud-s-hope-vi-initiative.pdf; Danielle P. Duryea, *Gendering the Gentrification of Public Housing: HOPE VI's Disparate Impact on Lowest-Income African American Women,* 13 GEO. J. POVERTY L. & POL'Y 567, 572 (2006), https://digitalcommons.law.buffalo.edu/journal_articles/633/.
[375] Rebekah L. Coley et al., *Did HOPE VI Move Communities to Opportunity? How Public Housing Redevelopment Affected Neighborhood Poverty, Racial Composition, and Resources 1990–2016*, 33 HOUS. POL'Y DEBATE 909, 930 (2023), https://doi.org/10.1080/10511482.2022.2121614.
[376] Danielle P. Duryea, *Gendering the Gentrification of Public Housing: HOPE VI's Disparate Impact on Lowest-Income African American Women,* 13 GEO. J. POVERTY L. & POL'Y 567, 572 (2006), https://digitalcommons.law.buffalo.edu/journal_articles/633/.

options for relocation, leading to distress, poor decision-making, and a potential loss of stable housing.[377]

B. The aftermath of HOPE VI relocation policies

Former HOPE VI residents were left with options ranging from bad to worse: relocate to other traditional public housing units, relocate to the private market using government-subsidized Housing Choice Vouchers, return to the HOPE VI site after years of displacement, or end up homeless.

6. Option 1: Relocate to other traditional public housing

The HOPE VI program failed to achieve its goals of improving most residents' lives, merely casting itself as an act of compassion when it was really a forced displacement. Many displaced families, especially those facing complex challenges, were moved into other public housing with no meaningful gains in safety, stability, or economic opportunity. About 22 percent of the original residents of a panel study of five HOPE VI sites had relocated to other public housing units as of 2005.[378] Another HUD-funded study placed the transfers of HOPE VI residents to other public housing at 49 percent, meaning that about half of the HOPE VI families moved to other public housing units.[379] Families with multiple complexities, such as mental illness, severe physical illness, substance abuse, large numbers of young children, and criminal records, were more likely to end up in public housing.[380]

HOPE VI program failed to achieve its goal of improving residents' lives.

HOPE VI moved residents from severely distressed public housing to slightly less distressed public housing, continuing the patterns of government neglect and abandonment of the most vulnerable families. Families who moved to other public housing experienced no improvement in their housing conditions, employment, or self-sufficiency.[381] The 2005 panel study also found that residents who relocated to other public housing developments were living in communities that were "only slightly less poor and no less racially segregated" than the HOPE VI site from which they were relocated.[382] Some residents even reported worse housing

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[377] SUSAN J. POPKIN ET AL., URB. INST. JUST. POL'Y CTR., HOPE VI PANEL STUDY: BASELINE REPORT 8-13–8-14, (2002), https://www.urban.org/research/publication/hope-vi-panel-study-baseline-report.

[378] Susan J. Popkin, Diane K. Levy & Larry Buron, *Has HOPE VI Transformed Residents' Lives? New Evidence from the HOPE VI Panel Study*, 24 HOUS. STUD. 477, 486 (2009).

[379] NAT'L HOUS. L. PROJECT, POVERTY & RACE RSCH. ACTION COUNCIL, SHERWOOD RSCH. ASSOCS., & EVERYWHERE & NOW PUB. HOUS. RESIDENTS ORG. NAT'LLY TOGETHER (ENPHRONT), FALSE HOPE: A CRITICAL ASSESSMENT OF THE HOPE VI PUBLIC HOUSING REDEVELOPMENT PROGRAM 15 (2002), https://www.nhlp.org/files/FalseHOPE.pdf.

[380] Susan J. Popkin, Diane K. Levy & Larry Buron, *Has HOPE VI Transformed Residents' Lives? New Evidence from the HOPE VI Panel Study*, 24 HOUS. STUD. 477, 494 (2009).

[381] Susan J. Popkin, Diane K. Levy & Larry Buron, *Has HOPE VI Transformed Residents' Lives? New Evidence from the HOPE VI Panel Study*, 24 HOUS. STUD. 477, 487, 491, 492 (2009).

[382] Susan J. Popkin, Diane K. Levy & Larry Buron, *Has HOPE VI Transformed Residents' Lives? New Evidence from the HOPE VI Panel Study*, 24 HOUS. STUD. 477, 488 (2009).

conditions in their post-relocation public housing.[383] While some studies reported relocated residents perceiving their neighborhoods as safer and less violent, in-depth interviews found that due to a lack of social integration in their new neighborhoods, relocated residents felt more vulnerable to the violence that did occur.[384]

The loss of social ties and stressors of forced relocation often led to increased psychological harm, loss of economic and social support systems, and adverse health outcomes.[385] Because unemployment and economic instability was often tied in with health problems, residents who relocated to other public housing experienced physical and mental health deterioration that prevented them from gaining stable employment due to the "housing-only" nature of the intervention.[386] The stress of uprooting young people from their homes and communities also created health and behavioral issues for children: youth relocated to other public housing saw a 10 percent increase in delinquent behaviors, compared with youth relocated to Section 8 housing (discussed below) who saw an increase in positive behaviors.[387]

HOPE VI households who moved to other public housing sites experienced continued racial segregation, dismal housing conditions, and no improvement in their safety. In fact, the loss of social ties and lack of social integration made residents feel more vulnerable to the violence around them. These households also experienced declining physical and mental health that continued to bar them from upward economic mobility. Uprooting and moving HOPE VI households to only slightly less distressed public housing had negative social, economic, and general wellbeing impacts for both children and adults.

7. Option 2: Relocate to private housing with Housing Choice Vouchers

Section 8 Housing Choice Voucher recipients often faced economic hardship and remained racially segregated with little social integration into their new neighborhoods, showing that displacement into subsidized private housing did not yield upward economic mobility. Nearly half of the original residents of the 2005 panel study received vouchers and moved into housing in the private market.[388] There is a lack of precise tracking of how many HOPE VI residents received vouchers as a replacement for public housing, let alone how many successfully got into housing using those vouchers.[389]

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[383] Danya E. Keene & Arline T. Geronimus, *'Weathering' HOPE VI: The Importance of Evaluating the Population Health Impact of Public Housing Demolition and Displacement*, 88 J. URB. HEALTH 417, 420 (2011), https://pmc.ncbi.nlm.nih.gov/articles/PMC3126923/.

[384] Danya E. Keene & Arline T. Geronimus, *'Weathering' HOPE VI: The Importance of Evaluating the Population Health Impact of Public Housing Demolition and Displacement*, 88 J. URB. HEALTH 417, 421 (2011), https://pmc.ncbi.nlm.nih.gov/articles/PMC3126923/.

[385] Danya E. Keene & Arline T. Geronimus, *'Weathering' HOPE VI: The Importance of Evaluating the Population Health Impact of Public Housing Demolition and Displacement*, 88 J. URB. HEALTH 417, 423–25 (2011), https://pmc.ncbi.nlm.nih.gov/articles/PMC3126923/.

[386] Susan J. Popkin, Diane K. Levy & Larry Buron, *Has HOPE VI Transformed Residents' Lives? New Evidence from the HOPE VI Panel Study*, 24 HOUS. STUD. 477, 493 (2009).

[387] Susan J. Popkin, Diane K. Levy & Larry Buron, *Has HOPE VI Transformed Residents' Lives? New Evidence from the HOPE VI Panel Study*, 24 HOUS. STUD. 477, 491 (2009).

[388] Susan J. Popkin, Diane K. Levy & Larry Buron, *Has HOPE VI Transformed Residents' Lives? New Evidence from the HOPE VI Panel Study*, 24 HOUS. STUD. 477, 486 (2009).

[389] Taryn H. Gress, Mark L. Joseph & Seungjong Cho, *Confirmations, New Insights, and Future*

The vouchers, while intended to subsidize private housing to increase accessibility, systematically failed many relocatees. In 2001, only 69 percent of voucher recipients were able to use them due to a deficiency of available private housing that accepted vouchers.[390] Voucher recipients also faced tight timelines of around 90 days to find eligible units and get those units inspected, which proved difficult given the shortage in landlords willing to participate in the Section 8 program.[391] Many landlords were unwilling to rent to HOPE VI voucher users because of stereotypes about people from public housing or people of color: they seemed like "risky" tenants.[392] Additionally, HOPE VI voucher users often faced complex personal problems that inhibited their ability to effectively search for housing and made them less appealing to private landlords, such as substance abuse, depression, domestic violence, and gang affiliation.[393]

For people who successfully found subsidized housing, the former HOPE VI resident voucher users were more likely than those who lived in public housing to report financial hardships from paying utilities and getting adequate food to their families.[394] In 2004, almost 6 out of 10 voucher users said they had trouble affording the rent and utilities.[395] No reported changes in employment or self-sufficiency occurred for the HOPE VI voucher users after relocation, and the stagnation of individual economic growth made paying for rent and utilities difficult since the relocatees had not incurred these additional expenses while in public housing.[396] Voucher users also experienced high levels of residential instability, with 40 percent of voucher users moving again within two years of their initial move from the HOPE VI site.[397] The vouchers provided to replace their housing in the HOPE VI sites failed to improve residents' economic stability, as many former tenants faced new financial burdens, stagnant employment prospects, and high residential instability that left them struggling to afford rent and utilities.

Implications for HOPE VI Mixed-Income Redevelopment, 21 CITYSCAPE: A J. OF POL'Y DEV. & RSCH. 185, 192 (2019).

[390] MARGERY AUSTIN TURNER, URB. INST., STRENGTHS AND WEAKNESSES OF HOUSING VOUCHER PROGRAM 2 (2003), https://www.urban.org/sites/default/files/publication/64536/900635-Strengths-and-Weaknesses-of-the-Housing-Voucher-Program.pdf; Danya E. Keene & Arline T. Geronimus, *'Weathering' HOPE VI: The Importance of Evaluating the Population Health Impact of Public Housing Demolition and Displacement*, 88 J. URB.HEALTH 417, 420 (2011), https://pmc.ncbi.nlm.nih.gov/articles/PMC3126923/.

[391] Susan Clampet-Lundquist, *HOPE VI Relocation: Moving to New Neighborhoods and Building New Ties*, 15 HOUS. POL'Y DEBATE 415, 425–26 (2004).

[392] MARGERY AUSTIN TURNER, URB. INST., STRENGTHS AND WEAKNESSES OF HOUSING VOUCHER PROGRAM 2 (2003), https://www.urban.org/sites/default/files/publication/64536/900635-Strengths-and-Weaknesses-of-the-Housing-Voucher-Program.pdf.

[393] MARGERY AUSTIN TURNER, URB. INST., STRENGTHS AND WEAKNESSES OF HOUSING VOUCHER PROGRAM 2 (2003), https://www.urban.org/sites/default/files/publication/64536/900635-Strengths-and-Weaknesses-of-the-Housing-Voucher-Program.pdf.

[394] Susan J. Popkin, Diane K. Levy & Larry Buron, *Has HOPE VI Transformed Residents' Lives? New Evidence from the HOPE VI Panel Study*, 24 HOUS. STUD. 477, 492 (2009).

[395] SUSAN J. POPKIN ET AL., A DECADE OF HOPE VI: RESEARCH FINDINGS AND POLICY CHALLENGES 30, 31 (2004), https://www.urban.org/sites/default/files/alfresco/publication-pdfs/411002-A-Decade-of-HOPE-VI.PDF.

[396] Susan J. Popkin, Diane K. Levy & Larry Buron, *Has HOPE VI Transformed Residents' Lives? New Evidence from the HOPE VI Panel Study*, 24 HOUS. STUD. 477, 492 (2009).

[397] Danya E. Keene & Arline T. Geronimus, *'Weathering' HOPE VI: The Importance of Evaluating the Population Health Impact of Public Housing Demolition and Displacement*, 88 J. URB. HEALTH 417, 421–22 (2011), https://pmc.ncbi.nlm.nih.gov/articles/PMC3126923/.

HOPE VI voucher users continued to experience racial segregation and high levels of neighborhood poverty in their new neighborhoods. Studies of relocatees in Chicago found that nearly all HOPE VI voucher users relocated to neighborhoods that were at least 90 percent African American with high levels of poverty.[398] The social integration into their new neighborhoods was also lacking: the HOPE VI communities were often described as "family" in qualitative interviews, whereas those who relocated to Section 8 housing self-isolated in their new neighborhoods.[399] This loss of strong social ties led to increased social isolation and new day-to-day challenges, such as finding childcare or transportation.[400] Voucher users were just as likely as those who relocated to other public housing to report deteriorating physical and mental health.[401]

While several qualitative studies found that HOPE VI voucher users reported improved housing conditions, lower crime rates, and improved neighborhoods, the conditions and rates were improved compared to the extremely high poverty neighborhoods the residents had left.[402] Improved conditions meant that the conditions were slightly better than they were at a public housing site that was deemed "severely distressed."

For those former HOPE VI residents who found private housing that accepted vouchers, the result was often economic hardship, racial segregation, and few real improvements in quality of life. The loss of strong social ties led to new challenges and poor physical and mental health.

8. Option 3: Return to public housing units at HOPE VI site

The small percentage of residents who returned to HOPE VI sites faced racial segregation, class tensions, and limited social integration, undermining the promise of revitalization. Again, the lack of consistent data makes resident return rates difficult to determine. Between 1993 to 1999, only 11.4 percent former residents were slated for reoccupancy.[403] A 2016 retrospective data compilation found that an average of 27.6 percent of the former households returned to the new units, with a median of 18 percent.[404] Even with

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[398] Henry Korman, *How the Proposed HOPE VI Reauthorization Ignores the Severe Distress of Racial Segregation*, 17 J. AFFORDABLE HOUS. & CMTY. DEV. L. 353, 356 (2008), https://www.jstor.org/stable/25782828; G. Thomas Kingsley, Jennifer Johnson & Kathryn L. S. Pettit, *Patterns of Section 8 Relocation in the HOPE VI Program*, 25 J. URB. AFF. 427, 428 (2003), https://doi.org/10.1111/1467-9906.00171.

[399] Susan Clampet-Lundquist, *HOPE VI Relocation: Moving to New Neighborhoods and Building New Ties*, 15 HOUS. POL'Y DEBATE 415, 434–35 (2004).

[400] Danya E. Keene & Arline T. Geronimus, *'Weathering' HOPE VI: The Importance of Evaluating the Population Health Impact of Public Housing Demolition and Displacement*, 88 J. URB. HEALTH 417, 425 (2011), https://pmc.ncbi.nlm.nih.gov/articles/PMC3126923/.

[401] Danya E. Keene & Arline T. Geronimus, *'Weathering' HOPE VI: The Importance of Evaluating the Population Health Impact of Public Housing Demolition and Displacement*, 88 J. URB. HEALTH 417, 428 (2011), https://pmc.ncbi.nlm.nih.gov/articles/PMC3126923/; Susan J. Popkin, Diane K. Levy & Larry Buron, *Has HOPE VI Transformed Residents' Lives? New Evidence from the HOPE VI Panel Study*, 24 HOUS. STUD. 477, 492 (2009).

[402] SUSAN J POPKIN ET AL., A DECADE OF HOPE VI 29 (2004), https://www.urban.org/sites/default/files/alfresco/publication-pdfs/411002-A-Decade-of-HOPE-VI.PDF.

[403] SUSAN J POPKIN ET AL., A DECADE OF HOPE VI 23 (2004), https://www.urban.org/sites/default/files/alfresco/publication-pdfs/411002-A-Decade-of-HOPE-VI.PDF.

[404] Taryn H. Gress, Mark L. Joseph & Seungjong Cho, *Confirmations, New Insights, and Future Implications for HOPE VI Mixed-Income Redevelopment*, 21 CITYSCAPE: A J. OF POL'Y DEV. & RSCH. 185, 201 (2019).

this data, many studies reported being unable to assess whether those residents who moved in after redevelopment were the same residents who had been relocated, reflecting the lack of tracking requirements or efforts for HOPE VI grantees.[405]

The stricter screening rules of redeveloped HOPE VI sites, including background checks, credit checks, drug testing, and immigration status, turned redevelopment into an exclusionary mechanism.[406] HOPE VI original households, which were more likely to be headed by African American women with children, would often experience disparate impacts, such as being unable to meet heightened economic requirements or having a criminal record due to prior domestic violence involvement that prevented them from returning to the revitalized site.[407] Barriers to reentry were made worse by President Clinton's "One Strike" rule in 1996, giving PHAs access to criminal conviction records and requiring HUD to evict public housing tenants if any members of the household or guests engaged in criminal activity.[408] In 1998, this policy was expanded to include mere suspicion of "drug-related" or "criminal" activity as sufficient grounds for eviction.[409] Significantly, these policies applied to all public housing assistance, raising the risks of losing housing assistance for those who returned to HOPE VI sites and those who relocated to other public housing or Section 8 housing. HOPE VI's redevelopment rules and the "One Strike" policy effectively punished original residents for poverty and past victimization, showing that the program prioritized selective exclusion over genuine community revitalization.

HOPE VI not only failed to dismantle racial and economic isolation but actively worsened social and health outcomes for returning residents, proving that its redevelopment prioritized outward appearances over the social and health needs of the communities it displaced. HOPE VI revitalized sites remained racially segregated. Because HOPE VI mainly impacted minority communities but rebuilt on the same sites, racial isolation continued at HOPE VI revitalized sites.[410] Returning public housing residents had little social integration with low- and middle-income residents, undermining the claim that mixed-income developments would lead to the de-isolation of poverty through physical proximity.[411] Despite the early studies that indicated improved housing quality and neighborhood safety, HOPE VI returning residents suffered heightened stress "due to dislocation from social networks and limited social integration in

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[405] MEAGAN CAHILL, SAMANTHA LOWRY, P. MITCHELL DOWNEY, URB. INST. JUST. POL'Y CTR., MOVIN' OUT: CRIME AND HUD'S HOPE VI INITIATIVE 2 (2011), https://www.urban.org/sites/default/files/publication/27481/412385-movin-out-crime-and-hud-s-hope-vi-initiative.pdf.

[406] Taryn H. Gress, Mark L. Joseph & Seungjong Cho, *Confirmations, New Insights, and Future Implications for HOPE VI Mixed-Income Redevelopment*, 21 CITYSCAPE: A J. OF POL'Y DEV. & RSCH. 185, 190 (2019).

[407] Danielle P. Duryea, *Gendering the Gentrification of Public Housing: HOPE VI's Disparate Impact on Lowest-Income African American Women,* 13 GEO. J. POVERTY L. & POL'Y 567, 572 (2006), https://digitalcommons.law.buffalo.edu/journal_articles/633/.

[408] CORINNE CAREY, U.S. PROGRAM OF HUM. RTS. WATCH, *No Second Chance: People with Criminal Records Denied Access to Public Housing* 28 (2004), https://www.hrw.org/reports/2004/usa1104/usa1104.pdf.

[409] CORINNE CAREY, U.S. PROGRAM OF HUM. RTS. WATCH, *No Second Chance: People with Criminal Records Denied Access to Public Housing* 29 (2004), https://www.hrw.org/reports/2004/usa1104/usa1104.pdf.

[410] Henry Korman, *How the Proposed HOPE VI Reauthorization Ignores the Severe Distress of Racial Segregation*, 17 J. AFFORDABLE HOUS. & CMTY. DEV. L. 353, 356 (2008), https://www.jstor.org/stable/25782828.

[411] James C. Fraser, Robert J. Chaskin & Joshua T. Bazuin, *Making Mixed-Income Neighborhoods Work for Low-Income Households*, 15 CITYSCAPE: J. POL'Y DEV. & RES. 83, 91 (2013), https://www.huduser.gov/portal/periodicals/cityscpe/vol15num2/ch6.pdf.

newly developed neighborhoods."[412] HOPE VI returnees were most likely to report bad health when compared to voucher users and those who relocated to other public housing in a 2002 Resident Tracking Study.[413]

Another key element of HOPE VI was the social services it aspired to provide to residents of the targeted sites but failed to adequately provide. Those community and social services did not translate into gains in employment, earnings, or health across the board—only in isolated cases where effective and intensive services were actually provided.[414] In these cases, many returning residents obtained decent jobs, many after completing job training programs through HOPE VI-affiliated services, but they did not earn enough money to leave public housing.[415] Even when HOPE VI grant recipients provided adequate social services such as job training programs, they were still "train[ing] people to be members of the working poor."[416]

HOPE VI's apparent reductions in neighborhood poverty at the targeted sites were misleading, as they resulted not from genuine economic improvement for original residents but from their displacement and the influx of higher-income newcomers, exposing the program as a mechanism of exclusion rather than uplift. Although some studies found that HOPE VI lowered neighborhood poverty and brought in more diverse residents, these results are unreliable because the changes might have been caused by private investment, the departure of previous residents, or the arrival of higher-income residents, not HOPE VI itself.[417] The decrease in poverty did not reflect economic improvement for returning residents; rather, it reflected the exclusion of former residents and the introduction of higher-income residents into the sites.

Heightened requirements for reentry and limited available public housing units made returning to revitalized sites extremely difficult for former residents. Those who were able to return were subjected to heightened behavioral policing with risk of eviction if they or anyone in the household was suspected of drug use or criminal activity. The returnees did not experience gains in employment, earnings, or health, since most sites did not provide adequate social services. The stress of relocation and return resulted in poor health for many returnees

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[412] Rebekah L. Coley et al., *Did HOPE VI Move Communities to Opportunity? How Public Housing Redevelopment Affected Neighborhood Poverty, Racial Composition, and Resources 1990–2016*, 33 HOUS. POL'Y DEBATE 909, 912 (2023), https://doi.org/10.1080/10511482.2022.2121614.

[413] LARRY BURON ET AL., THE HOPE VI RESIDENT TRACKING STUDY: A SNAPSHOT OF THE CURRENT LIVING SITUATION OF ORIGINAL RESIDENTS FROM EIGHT SITES viii (Urb. Inst. 2002), https://www.urban.org/sites/default/files/publication/60631/410591-The-HOPE-VI-Resident-Tracking-Study.PDF.

[414] James C. Fraser, Robert J. Chaskin & Joshua T. Bazuin, *Making Mixed-Income Neighborhoods Work for Low-Income Households*, 15 CITYSCAPE: J. POL'Y DEV. & RES. 83, 92 (2013), https://www.huduser.gov/portal/periodicals/cityscpe/vol15num2/ch6.pdf.

[415] James C. Fraser, Robert J. Chaskin & Joshua T. Bazuin, *Making Mixed-Income Neighborhoods Work for Low-Income Households*, 15 CITYSCAPE: J. POL'Y DEV. & RES. 83, 95 (2013), https://www.huduser.gov/portal/periodicals/cityscpe/vol15num2/ch6.pdf.

[416] James C. Fraser, Robert J. Chaskin & Joshua T. Bazuin, *Making Mixed-Income Neighborhoods Work for Low-Income Households*, 15 CITYSCAPE: J. POL'Y DEV. & RES. 83, 95 (2013), https://www.huduser.gov/portal/periodicals/cityscpe/vol15num2/ch6.pdf.

[417] Rebekah L. Coley et al., *Did HOPE VI Move Communities to Opportunity? How Public Housing Redevelopment Affected Neighborhood Poverty, Racial Composition, and Resources 1990–2016*, 33 HOUS. POL'Y DEBATE 909, 913 (2023), https://doi.org/10.1080/10511482.2022.2121614.

and there was little to no social reintegration at the revitalized sites between low- and middle-income residents. While neighborhood-level poverty decreased and economic diversity increased, those improvements were likely a result of the diaspora of the former residents and introduction of new residents with higher incomes.

9. Option 4: hidden homelessness: end up without housing support

HOPE VI systematically erased the most vulnerable residents from its data, masking the widespread displacement, housing instability, and homelessness caused by unit loss, redevelopment delays, and confusing program requirements, revealing the program as a crisis of forced relocation rather than successful revitalization. The data for all HOPE VI resident outcomes is flawed, but for individuals who "slipped through the cracks" and ended up without housing support, the data is absent from many studies.[418] HUD continued to track those who received assistance, excluding those who no longer received assistance due to ineligibility or just not receiving the promised help from most HUD-funded studies, which make up a majority of the data on HOPE VI.[419]

Systemic data erasure masked widespread displacement, housing instability, and homelessness.

As many as one-third of original HOPE VI residents dropped out of tracking systems in the redevelopment crises.[420] Conveniently for the HUD data, these were the residents likely to be facing housing crises due to no longer receiving HUD assistance.[421] The studies and surveys only counted individuals they found: the "difficult to find" former residents are likely to be those who move frequently, double up with another family, are homeless, or have moved out of the area.[422] As a result, those who end up on the street with no housing subsidization are not included in the data, wiping the record clean on most cases of forced relocation without a safety net. The loss of public housing units, delays in redevelopment, and strict eligibility requirements for public housing reentry contributed to higher risk of housing instability and, for an unknown number of former residents, homelessness.[423]

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[418] Danya E. Keene & Arline T. Geronimus, *'Weathering' HOPE VI: The Importance of Evaluating the Population Health Impact of Public Housing Demolition and Displacement*, 88 J. URB. HEALTH 417, 431 (2011), https://pmc.ncbi.nlm.nih.gov/articles/PMC3126923/.

[419] G. Thomas Kingsley, Jennifer Johnson & Kathryn L. S. Pettit, *Patterns of Section 8 Relocation in the HOPE VI Program*, 25 J. URB. AFF. 427, 429 (2003), https://doi.org/10.1111/1467-9906.00171.

[420] Danielle P. Duryea, *Gendering the Gentrification of Public Housing: HOPE VI's Disparate Impact on Lowest-Income African American Women,* 13 GEO. J. POVERTY L. & POL'Y 567, 583 (2006), https://digitalcommons.law.buffalo.edu/journal_articles/633/.

[421] Danielle P. Duryea, *Gendering the Gentrification of Public Housing: HOPE VI's Disparate Impact on Lowest-Income African American Women,* 13 GEO. J. POVERTY L. & POL'Y 567, 583 (2006), https://digitalcommons.law.buffalo.edu/journal_articles/633/.

[422] SUSAN J. POPKIN ET AL., URB. INST. JUST. POL'Y CTR., HOPE VI PANEL STUDY: BASELINE REPORT 1-5, (2002), https://www.urban.org/research/publication/hope-vi-panel-study-baseline-report.

[423] Taryn H. Gress, Mark L. Joseph & Seungjong Cho, *Confirmations, New Insights, and Future Implications for HOPE VI Mixed-Income Redevelopment*, 21 CITYSCAPE: A J. OF POL'Y DEV. & RSCH. 185, 206 (2019).

HOPE VI revitalization resulted in a massive, permanent loss of deeply affordable public housing units. For many residents, the end result was being relocated to other public housing, Section 8 housing, or losing their housing support altogether. The vast majority of former residents never got to return, whether due to ineligibility or confusion. There is inadequate data to track where former residents ended up, allowing housing authorities to only survey the "successes": that is, existing data only counts the residents who were easy to track down and didn't end up in a worse situation as a result of HOPE VI. This pattern of data gaps is especially important in the modern era as the federal government mounts an attack on data, both past and present. The disinvestment in public housing, increased reliance on Section 8 housing vouchers, and painting of HOPE VI as a success based on subpar data collection on resident outcomes and unit loss has had ripples throughout housing policy since the end of HOPE VI.

IV. LEGAL AND ADVOCACY IMPLICATIONS FOR THE NEXT ERA

The withdrawal of the federal government from directly providing and maintaining public housing accelerated during HOPE VI (1992-2010), through "repositioning" strategies and redevelopment programs that significantly reduced the number of households served in traditional public housing while shifting risk and capital obligations away from federal ownership/management and toward private actors, vouchers, and localities.[424] The resulting landscape significantly constrains housing choice for low-income households and heightens displacement risks, all while federal reports and evaluations have lacked consistent resident-level tracking and clear standards sufficient to verify HUD's frequent claims of widespread programmatic successes.[425] When the government shirks its duty to provide low-income housing and leaves it entirely to the private sector, the result is clear: a sharp rise in the number of people at risk of losing their homes.[426] Today, we are facing an all-out assault on data collection by the government, and the data we do have is irrefutable: government neglect endangers the very people it should protect.[427]

Privatizing low-income housing drove a sharp rise in the number of people at risk of losing their homes.

[424] SUSAN J POPKIN ET AL., A DECADE OF HOPE VI 3 (2004), https://www.urban.org/sites/default/files/alfresco/publication-pdfs/411002-A-Decade-of-HOPE-VI.PDF.
[425] NAT'L HOUS. L. PROJECT, POVERTY & RACE RSCH. ACTION COUNCIL, SHERWOOD RSCH. ASSOCS., & EVERYWHERE & NOW PUB. HOUS. RESIDENTS ORG. NAT'LLY TOGETHER (ENPHRONT), FALSE HOPE: A CRITICAL ASSESSMENT OF THE HOPE VI PUBLIC HOUSING REDEVELOPMENT PROGRAM iv (2002), https://www.nhlp.org/files/FalseHOPE.pdf.
[426] Huiyun Kim, Sarah A. Burgard & Kristin S. Seefeldt, *Housing Assistance and Housing Insecurity: A Study of Renters in Southeastern Michigan in the Wake of the Great Recession* 91 SOC. SERV. REV. 41 (2017), https://pmc.ncbi.nlm.nih.gov/articles/PMC10997347/.
[427] Huiyun Kim, Sarah A. Burgard & Kristin S. Seefeldt, *Housing Assistance and Housing Insecurity: A Study of Renters in Southeastern Michigan in the Wake of the Great Recession* 91 SOC. SERV. REV. 41 (2017), https://pmc.ncbi.nlm.nih.gov/articles/PMC10997347/.

A. Government abdication

Briefly looking beyond HOPE VI, trends away from government capital investment in public housing established before and during HOPE VI also illustrate sustained federal retreat Federal housing policy has shifted from investment/reinvestment in the Section 9 public housing portfolio toward "repositioning" via demolition, voluntary conversion to Section 8, and more recently RAD (Rental Assistance Demonstration), with the active inventory falling to 883,877 units as of December 7, 2024, 23,183 fewer than the year before, highlighting a contraction of the public asset base even as need persists.[428] Residents living in public housing decreased to 1,569,768 in late 2024.[429] This number represents a 4 percent drop compared to the previous year, including a 6 percent decline among children.[430] This trend indicates continued withdrawal from public housing programs rather than a stabilization or increase in public provision.[431] Policy design is reinforcing this shift through expanded public-private conversion programs, including a 455,000-unit RAD cap extended through September 30, 2029 and updated "blend" rules that allow up to 90 percent of units in certain projects to convert to private units, as a result accelerating removal of public housing units from Section 9.[432]

The public housing portfolio continues to decline, with HUD estimating that roughly 10,000 public housing units are lost each year.[433] This ongoing loss reflects decades of underfunding and deterioration, rather than a deliberate effort to systematically invest in and upgrade public housing infrastructure.[434] From 2000 to 2025, HUD has reported a net loss of over 139,000 units, not including those lost under HOPE VI.[435] This loss highlights the long-term extent of asset depletion beyond the recent RAD program.[436]

Returning to the theme of HOPE VI, conditions are worsening in the neighborhoods themselves. About 267,000 homes, or roughly 30 percent of all housing, have failed their latest Real Estate Assessment Center inspection.[437] This failure rate is about twice as high as in 2019,

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[428] Ed Gramlich, *Public Housing, in* THE 2025 ADVOCATES' GUIDE 4–42 (Nat'l Low Income Hous. Coalition ed., 2025), https://nlihc.org/sites/default/files/AG-2025/4-42_Public-Housing.pdf.
[429] Ed Gramlich, *Public Housing, in* THE 2025 ADVOCATES' GUIDE 4–42 (Nat'l Low Income Hous. Coalition ed., 2025), https://nlihc.org/sites/default/files/AG-2025/4-42_Public-Housing.pdf.
[430] Ed Gramlich, *Public Housing, in* THE 2025 ADVOCATES' GUIDE 4–42 (Nat'l Low Income Hous. Coalition ed., 2025), https://nlihc.org/sites/default/files/AG-2025/4-42_Public-Housing.pdf.
[431] Ed Gramlich, *Public Housing, in* THE 2025 ADVOCATES' GUIDE 4–42 (Nat'l Low Income Hous. Coalition ed., 2025), https://nlihc.org/sites/default/files/AG-2025/4-42_Public-Housing.pdf.
[432] Ed Gramlich, *Public Housing, in* THE 2025 ADVOCATES' GUIDE 4–42, 4–47 (Nat'l Low Income Hous. Coalition ed., 2025), https://nlihc.org/sites/default/files/AG-2025/4-42_Public-Housing.pdf.
[433] Ed Gramlich, *Public Housing, in* THE 2025 ADVOCATES' GUIDE 4–42, 4–47 (Nat'l Low Income Hous. Coalition ed., 2025), https://nlihc.org/sites/default/files/AG-2025/4-42_Public-Housing.pdf.
[434] Ed Gramlich, *Public Housing, in* THE 2025 ADVOCATES' GUIDE 4–42 (Nat'l Low Income Hous. Coalition ed., 2025), https://nlihc.org/sites/default/files/AG-2025/4-42_Public-Housing.pdf.
[435] Ed Gramlich, *Public Housing, in* THE 2025 ADVOCATES' GUIDE 4–42 (Nat'l Low Income Hous. Coalition ed., 2025), https://nlihc.org/sites/default/files/AG-2025/4-42_Public-Housing.pdf.
[436] Ed Gramlich, *Public Housing, in* THE 2025 ADVOCATES' GUIDE 4–42 (Nat'l Low Income Hous. Coalition ed., 2025), https://nlihc.org/sites/default/files/AG-2025/4-42_Public-Housing.pdf.
[437] Ed Gramlich, *Public Housing, in* THE 2025 ADVOCATES' GUIDE 4–42 (Nat'l Low Income Hous. Coalition ed., 2025), https://nlihc.org/sites/default/files/AG-2025/4-42_Public-Housing.pdf.

suggesting issues with deferred maintenance and a lack of capital investment.[438] The program is still widespread, with 2,693 public housing agencies overseeing 6,272 developments.[439]

However, residents often face a steep hill to climb: the average yearly household income is only about $14,000, and their average rent plus utilities costs $369 per month.[440] Additionally, 44 percent of residents are elderly or disabled, and 72 percent live in households classified as extremely low income.[441] These challenges are compounded by an average wait time of nearly 20 months for housing, showing a persistent excess demand and a need for increased resources.[442]

Capital needs are urgent and increasing. HUD estimates that by 2025, at least $50 billion in investments will be necessary.[443] These severe financial pressures shift agency focus towards converting and selling existing properties rather than investing in necessary improvements under Section 9. This shift threatens the future of affordable housing.[444] Overall, the decline in the number of units and residents, increased conversions, more inspection failures, and large funding gaps indicate a retreat from public housing as an important community resource. Despite these trends, the need for affordable housing remains urgent for extremely low-income renters.[445]

B. Supply-demand mismatch

The high demand for truly affordable rental housing greatly exceeds the available supply. This persistent gap explains why voucher holders often find it difficult to rent in more desirable neighborhoods, and why many original residents do not return to redeveloped areas in large numbers.[446] Contemporary affordability indicators show that renters with extremely low incomes face very high costs across the country. This suggests that simply providing subsidies isn't enough; there is also a need for deliberate efforts to produce and preserve affordable housing units for the lowest-income households.[447]

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[438] Ed Gramlich, *Public Housing, in* THE 2025 ADVOCATES' GUIDE 4–42 (Nat'l Low Income Hous. Coalition ed., 2025), https://nlihc.org/sites/default/files/AG-2025/4-42_Public-Housing.pdf.
[439] Ed Gramlich, *Public Housing, in* THE 2025 ADVOCATES' GUIDE 4–42 (Nat'l Low Income Hous. Coalition ed., 2025), https://nlihc.org/sites/default/files/AG-2025/4-42_Public-Housing.pdf.
[440] Ed Gramlich, *Public Housing, in* THE 2025 ADVOCATES' GUIDE 4–42 (Nat'l Low Income Hous. Coalition ed., 2025), https://nlihc.org/sites/default/files/AG-2025/4-42_Public-Housing.pdf.
[441] Ed Gramlich, *Public Housing, in* THE 2025 ADVOCATES' GUIDE 4–42 (Nat'l Low Income Hous. Coalition ed., 2025), https://nlihc.org/sites/default/files/AG-2025/4-42_Public-Housing.pdf.
[442] Ed Gramlich, *Public Housing, in* THE 2025 ADVOCATES' GUIDE 4–42 (Nat'l Low Income Hous. Coalition ed., 2025), https://nlihc.org/sites/default/files/AG-2025/4-42_Public-Housing.pdf.
[443] Ed Gramlich, *Public Housing, in* THE 2025 ADVOCATES' GUIDE 4–42 (Nat'l Low Income Hous. Coalition ed., 2025), https://nlihc.org/sites/default/files/AG-2025/4-42_Public-Housing.pdf.
[444] Ed Gramlich, *Public Housing, in* THE 2025 ADVOCATES' GUIDE 4–42 (Nat'l Low Income Hous. Coalition ed., 2025), https://nlihc.org/sites/default/files/AG-2025/4-42_Public-Housing.pdf.
[445] Ed Gramlich, *Public Housing, in* THE 2025 ADVOCATES' GUIDE 4–42, 4–47 (Nat'l Low Income Hous. Coalition ed., 2025), https://nlihc.org/sites/default/files/AG-2025/4-42_Public-Housing.pdf.
[446] *When Hope Falls Short: HOPE VI, Accountability, and the Privatization of Public Housing*, 116 HARV. LAW REV. 1477, 1494 (2003), https://www.jstor.org/stable/1342733.
[447] NAT'L LOW INCOME HOUS. COAL., OUT OF REACH: THE HIGH COST OF HOUSING 10 (2024), https://nlihc.org/sites/default/files/oor/2024_OOR-MiniBook.pdf.

The extent of this supply-demand imbalance is shown through the net loss of housing units in HOPE VI, which happened despite HOPE VI's original legislative goal to revitalize rather than reduce the overall supply of deeply affordable housing.[448] Congress's suspension (1994) and repeal (1996) of the one-for-one public housing replacement rule, implemented through HOPE VI without a replacement mandate, embodied a federal policy trajectory that reduced, rather than expanded, housing available to the poorest households. Legislators moved forward with redevelopment on the practical understanding that demolished units would not be fully replaced.[449]

Beyond displacing households, HOPE VI redevelopment has devastated the public housing stock, intensifying a national shortage in which extremely low-income renters have only 35 affordable and available homes for every 100 households.[450] Civil rights organizations warned that the absence of one-for-one replacement "prevent[s] the loss of housing that has been a part of the affordable housing inventory" and fails to address "the issues of segregation and lack of housing choice for low-income families in the broader housing market," underscoring that replacement must be comprehensive to avoid deepening structural inequities.[451] Even within mixed-income redevelopment, only 57 percent of HOPE VI replacement units are public housing, reflecting a persistent policy tilt toward reducing concentrated poverty rather than expanding deeply affordable options for households at or below 30 percent of area median income.

Over the past three decades, a broader move to privatized, investor-driven delivery has amplified this shift, anchored by the Low-Income Housing Tax Credit, which now finances roughly 90 percent of newly produced "affordable" rentals, thereby embedding return requirements into deals serving the lowest-income tenants. Once investor yields are baked into capital stacks, absent significant renter subsidy, projects target rents at 50–60 percent of area median income rather than at levels extremely low-income renters can afford. The result is that only about 16 percent of newly built LIHTC apartments are affordable to extremely low-income renters, and most extremely low-income households in LIHTC either depend on vouchers or face severe rent burdens. In this context, the federal retreat from public housing paired with market-centered redevelopment contributes directly to heightened housing instability and record levels of homelessness among the lowest-income households.[452]

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[448] *When Hope Falls Short: HOPE VI, Accountability, and the Privatization of Public Housing*, 116 HARV. LAW REV. 1477, 1484 (2003), https://www.jstor.org/stable/1342733.

[449] LARRY BURON ET AL., THE HOPE VI RESIDENT TRACKING STUDY: A SNAPSHOT OF THE CURRENT LIVING SITUATION OF ORIGINAL RESIDENTS FROM EIGHT SITES 5 (Urb. Inst. 2002), https://www.urban.org/sites/default/files/publication/60631/410591-The-HOPE-VI-Resident-Tracking-Study.PDF.

[450] Julius Chambers, John C. Boger & William Tobin, *How Colleges and Universities Can Promote k-12 Diversity: A Modest Proposal*, 17 POVERTY & RACE RSCH. ACTION COUNCIL 1 (2008), https://www.prrac.org/newsletters/janfeb2008.pdf.

[451] Julius Chambers, John C. Boger & William Tobin, *How Colleges and Universities Can Promote k-12 Diversity: A Modest Proposal*, 17 POVERTY & RACE RSCH. ACTION COUNCIL 1 (2008), https://www.prrac.org/newsletters/janfeb2008.pdf.

[452] Mark Fogarty, *The Tangled Legacy of Hope VI*, TAXCREDITADVISOR (Aug. 29, 2022), https://www.taxcreditadvisor.com/articles/case-study-the-tangled-legacy-of-hope-vi/.

This supply-demand mismatch is further compounded by broader trends in housing production and preservation policies that systematically constrain affordable housing supply.[453] The 2010 report from the Western Regional Advocacy Project (WRAP) shows that the HUD housing budget authority decreased by 77 percent between 1978 and 1996.[454] This decline illustrates how reduced federal funding affected the availability of affordable housing.[455] Rural areas have experienced particularly dramatic production declines, with United States Department of Agriculture Section 515 Rural Rental Housing programs creating only 783 affordable housing units in 2005 compared to 38,650 units in 1979.[456] These production cuts happened exactly when the need for affordable housing increased because wages remained stagnant, industries declined, and urban redevelopment projects removed many low-cost housing options.[457]

The persistence of this supply-demand imbalance reflects what researchers have identified as a "collective misrecognition" of homelessness's structural causes.[458] Rather than addressing the fundamental shortage of deeply affordable units, federal policy has focused on managing homelessness through emergency shelter systems and targeted supportive services for specific subpopulations.[459] This approach treats the symptoms rather than the cause, ensuring that even successful interventions for individual households cannot meaningfully address the broader crisis of housing unaffordability for extremely low-income renters.[460]

C. Disinvestment and offloading

Evidence across multiple sources shows that HOPE VI resulted in the displacement of original residents and expressly sought after private investment, leading to fewer truly affordable public housing units than those removed, and ultimately shifted capital responsibilities away from the federal government toward localities and private actors.[461] This

[453] WESTERN REGIONAL ADVOCACY PROJECT, WITHOUT HOUSING: DECADES OF FEDERAL HOUSING CUTBACKS, MASSIVE HOMELESSNESS AND POLICY FAILURES 24 (2010), https://www.reimaginerpe.org/files/WRAP_without_housing_PRINT_0.pdf.
[454] WESTERN REGIONAL ADVOCACY PROJECT, WITHOUT HOUSING: DECADES OF FEDERAL HOUSING CUTBACKS, MASSIVE HOMELESSNESS AND POLICY FAILURES 24 (2010), https://www.reimaginerpe.org/files/WRAP_without_housing_PRINT_0.pdf.
[455] WESTERN REGIONAL ADVOCACY PROJECT, WITHOUT HOUSING: DECADES OF FEDERAL HOUSING CUTBACKS, MASSIVE HOMELESSNESS AND POLICY FAILURES 4 (2010), https://www.reimaginerpe.org/files/WRAP_without_housing_PRINT_0.pdf.
[456] WESTERN REGIONAL ADVOCACY PROJECT, WITHOUT HOUSING: DECADES OF FEDERAL HOUSING CUTBACKS, MASSIVE HOMELESSNESS AND POLICY FAILURES 21 (2010), https://www.reimaginerpe.org/files/WRAP_without_housing_PRINT_0.pdf.
[457] WESTERN REGIONAL ADVOCACY PROJECT, WITHOUT HOUSING: DECADES OF FEDERAL HOUSING CUTBACKS, MASSIVE HOMELESSNESS AND POLICY FAILURES 19–20 (2010), https://www.reimaginerpe.org/files/WRAP_without_housing_PRINT_0.pdf.
[458] WESTERN REGIONAL ADVOCACY PROJECT, WITHOUT HOUSING: DECADES OF FEDERAL HOUSING CUTBACKS, MASSIVE HOMELESSNESS AND POLICY FAILURES 35 (2010), https://www.reimaginerpe.org/files/WRAP_without_housing_PRINT_0.pdf.
[459] WESTERN REGIONAL ADVOCACY PROJECT, WITHOUT HOUSING: DECADES OF FEDERAL HOUSING CUTBACKS, MASSIVE HOMELESSNESS AND POLICY FAILURES 35 (2010), https://www.reimaginerpe.org/files/WRAP_without_housing_PRINT_0.pdf.
[460] WESTERN REGIONAL ADVOCACY PROJECT, WITHOUT HOUSING: DECADES OF FEDERAL HOUSING CUTBACKS, MASSIVE HOMELESSNESS AND POLICY FAILURES 36 (2010), https://www.reimaginerpe.org/files/WRAP_without_housing_PRINT_0.pdf.
[461] U.S. DEP. OF HOUS. & URB. DEV., HOPE VI DATA COMPILATION AND ANALYSIS 22 (2016), https://www.huduser.gov/portal/sites/default/files/pdf/HOPE-VI-Data-Compilation-and-Analysis.pdf (documenting decline in re-occupancy rates for original households).

shift cemented a long-term trend of federal disinvestment in public housing, increasing competitive scarcity in already strained local affordable housing markets.[462]

Since the advent of HOPE VI in the 1990s, initiatives marketed as redevelopment efforts instead deliberately restructured public housing. The federal government "began to direct local housing authorities to utilize more stringent criteria for those trying to attain or retain public and other subsidized housing, a move that responded to public pressure demanding assurance that subsidized housing residents were worthy of assistance while, at the same time, artificially shortening the long waiting lists for that assistance."[463] These measures coincided with the forced displacement of tens of thousands of families and the permanent loss of large amounts of guaranteed affordable housing. HOPE VI, alongside affiliated policies, produced a net *loss* of over 150,000 public housing units between 1996 and 2010.[464]

HOPE VI's structure embedded privatization: it gave PHAs demolition and revitalization grants, but then incentivized them, explicitly through the HUD Notice of Funding Availability scoring system, to favor projects that could leverage more non-HUD (i.e., private) dollars.[465] This, in turn, led PHAs to pursue mixed-finance developments and market-driven approaches, with a focus on properties attractive for external investment and redevelopment, frequently in gentrifying areas."[466] The upshot was not only a reduction in overall deeply affordable units, but also the conversion of public assets to privately managed or even owned housing, often with higher rents, tighter screening, and diminished tenant protections.[467] As HUD's own Office of Inspector General reported in 1998, the focus of HOPE VI had shifted from revitalizing the most distressed properties to transforming those that could best "leverage outside resources into mixed-income communities."[468]

The paradigm shift away from direct federal capital appropriations offloaded long-term responsibility for public housing as a public good to local governments and private actors, often subjecting affordable housing to the risks and exigencies of local real estate markets and external financing.[469] Thus, "current 'repositioning' pathways and RAD conversions continue this trajectory by moving units onto private or quasi-private platforms that depend on external

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[462] Ed Gramlich, *Public Housing, in* THE 2025 ADVOCATES' GUIDE 4–42, 4–43 (Nat'l Low Income Hous. Coalition ed., 2025), https://nlihc.org/sites/default/files/AG-2025/4-42_Public-Housing.pdf.

[463] WESTERN REGIONAL ADVOCACY PROJECT, WITHOUT HOUSING: DECADES OF FEDERAL HOUSING CUTBACKS, MASSIVE HOMELESSNESS AND POLICY FAILURES 21 (2010), https://www.reimaginerpe.org/files/WRAP_without_housing_PRINT_0.pdf.

[464] WESTERN REGIONAL ADVOCACY PROJECT, WITHOUT HOUSING: DECADES OF FEDERAL HOUSING CUTBACKS, MASSIVE HOMELESSNESS AND POLICY FAILURES 20–23, 41 (2010), https://www.reimaginerpe.org/files/WRAP_without_housing_PRINT_0.pdf.

[465] Maggie McCarty, *HOPE VI: Background, Funding, and Issues* 5–6, 10–11 (CRS Report No. RL32236, Jan. 4, 2005), https://media.alexandriava.gov/docs-archives/planning/info/crsbriefingonhopevi.pdf.

[466] U.S. GOV'T ACCT. OFF., *Public Housing: HUD's Oversight of HOPE VI Sites Needs to Be More Consistent* 2, GAO-03-555 (May 2003), https://www.gao.gov/assets/gao-03-55.pdf.

[467] Maggie McCarty, *HOPE VI: Background, Funding, and Issues* "Summary," 17 (CRS Report No. RL32236, Jan. 4, 2005), https://media.alexandriava.gov/docs-archives/planning/info/crsbriefingonhopevi.pdf.

[468] U.S. DEP'T OF HOUS. & URB. DEV., OFF. INSPECTOR GEN., *Nationwide Audit of the HOPE VI Urban Revitalization Program* (Audit Case No. 99-FW-101-0001 (Dec. 17, 1998), https://archives.hud.gov/offices/oig/reports/internal/ig960001.pdf.

[469] Ed Gramlich, *Public Housing, in* THE 2025 ADVOCATES' GUIDE 4–42, 4–77, 4–78—4–82 (Nat'l Low Income Hous. Coalition ed., 2025), https://nlihc.org/sites/default/files/AG-2025/4-42_Public-Housing.pdf (describing federal withdrawal and local finance risks); U.S. DEP'T OF HOUS. & URB. DEV., *Rental Assistance Demonstration (RAD)*, https://www.hud.gov/RAD (last visited Nov. 29, 2025).

financing and local market conditions, rather than guaranteed long-term federal capital appropriations for public housing as a public good."[470]

The cumulative impacts of privatization and disinvestment have both reduced supply and intensified the competitive pressures and administrative barriers faced by extremely low-income households.[471] Rather than reversing losses, federal housing reforms since HOPE VI have, in practice, institutionalized a policy environment where the "reality of children experiencing homelessness…is perhaps nowhere starker than in the reality of children experiencing homelessness. Families with children are the fastest growing group of homeless people in the country."[472] Empirical studies show that few displaced residents have been able to return to redeveloped sites, further undermining the public safety net policymakers intended HOPE VI to repair.[473]

D. Rental Assistance Demonstration (RAD) cap and timeline

The HOPE VI program authorized demolition and redevelopment grants for "severely distressed" public housing, resulting in a significant loss of rental units. While HOPE VI was conceived to revitalize uninhabitable stock, a substantial body of analysis, including WRAP's *Without Housing* (2010) and the National Housing Law Project's False HOPE critique, shows these interventions caused a net loss of over 107,000 public housing units nationally, (with sources stating as high as 155,000 during HOPE VI), heightened by stringent admissions and punitive policies that excluded former residents from returning.[474] HUD's own figures show

[470] Ed Gramlich, *Public Housing, in* THE 2025 ADVOCATES' GUIDE 4–42, 4–85—4-86; 4-87 (Nat'l Low Income Hous. Coalition ed., 2025), https://nlihc.org/sites/default/files/AG-2025/4-42_Public-Housing.pdf (explaining RAD/Section 18 blends, voluntary conversions, and risks from market-based financing under repositioning).

[471] WESTERN REGIONAL ADVOCACY PROJECT, WITHOUT HOUSING: DECADES OF FEDERAL HOUSING CUTBACKS, MASSIVE HOMELESSNESS AND POLICY FAILURES 22, 41 (2010), https://www.reimaginerpe.org/files/WRAP_without_housing_PRINT_0.pdf.

[472] WESTERN REGIONAL ADVOCACY PROJECT, WITHOUT HOUSING: DECADES OF FEDERAL HOUSING CUTBACKS, MASSIVE HOMELESSNESS AND POLICY FAILURES 9 (2010), https://www.reimaginerpe.org/files/WRAP_without_housing_PRINT_0.pdf.

[473] LARRY BURON ET AL., THE HOPE VI RESIDENT TRACKING STUDY: A SNAPSHOT OF THE CURRENT LIVING SITUATION OF ORIGINAL RESIDENTS FROM EIGHT SITES 9–12 (Urb. Inst. 2002), https://www.urban.org/sites/default/files/publication/60631/410591-The-HOPE-VI-Resident-Tracking-Study.PDF (reporting an average return rate of 27.6%, with a median of just 18.2% of relocated residents returning to redeveloped sites); Maggie McCarty, *HOPE VI: Background, Funding, and Issues* 5–6, 10–11 (CRS Report No. RL32236, Jan. 4, 2005), https://media.alexandriava.gov/docs-archives/planning/info/crsbriefingonhopevi.pdf (noting that only 22% of displaced households returned, and many failed to qualify under stricter new criteria); NAT'L HOUS. L. PROJECT, POVERTY & RACE RSCH. ACTION COUNCIL, SHERWOOD RSCH. ASSOCS., & EVERYWHERE & NOW PUB. HOUS. RESIDENTS ORG. NAT'LLY TOGETHER (ENPHRONT), FALSE HOPE: A CRITICAL ASSESSMENT OF THE HOPE VI PUBLIC HOUSING REDEVELOPMENT PROGRAM 9–12 (2002), https://www.nhlp.org/files/FalseHOPE.pdf (finding that "only 11.4 percent of former residents overall have returned or are expected to return to HOPE VI sites"); TARYN GRESS, SEUNGJONG CHO & MARK JOSEPH, U.S. DEP. OF HOUS. & URB. DEV., HOPE VI DATA COMPILATION AND ANALYSIS 22 (2016), https://www.huduser.gov/portal/sites/default/files/pdf/HOPE-VI-Data-Compilation-and-Analysis.pdf (documenting decline in re-occupancy rates for original households).

[474] WESTERN REGIONAL ADVOCACY PROJECT, WITHOUT HOUSING: DECADES OF FEDERAL HOUSING CUTBACKS, MASSIVE HOMELESSNESS AND POLICY FAILURES (2010), https://www.reimaginerpe.org/files/WRAP_without_housing_PRINT_0.pdf; NAT'L HOUS. L. PROJECT, POVERTY & RACE RSCH. ACTION COUNCIL, SHERWOOD RSCH. ASSOCS., & EVERYWHERE & NOW PUB. HOUS. RESIDENTS ORG. NAT'LLY TOGETHER (ENPHRONT), FALSE HOPE: A CRITICAL ASSESSMENT OF THE HOPE VI PUBLIC HOUSING REDEVELOPMENT PROGRAM (2002), https://www.nhlp.org/files/FalseHOPE.pdf.

at least 70,000 units demolished under HOPE VI, with replacement typically falling short, and additional losses from demolition outside the program.[475]

The federal government never fully developed secure rental options as an alternative. Congress established the RAD program as a successor in kind to HOPE VI, continuing the policy shift of public housing toward Section 8-based platforms and private management models; RAD enables PHAs to convert subsidy streams from traditional public housing to Section 8, thereby seeking to preserve and improve housing stock through access to private capital and supporting long-term affordability.[476] Congress authorized RAD in FY12 and has raised the cap multiple times, reaching 455,000 units, and extended the deadline for conversions to September 30, 2029, reflecting bipartisan support for shifting public housing to Section 8 platforms despite unresolved questions about resident protections in practice.[477] Advocates and analysts note that proposals to remove the cap and sunset provision have consistently advanced despite the absence of a comprehensive demonstration that statutory resident protections and long-term affordability are being uniformly achieved across conversions.[478]

E. Low-Income Housing Tax Credit (LIHTC) and mixed finance

The recurring redevelopment financing structure relies heavily on the Low-Income Housing Tax Credit and other sources of private capital, resulting in mixed-income developments in which developers reserve only a minority of units for deeply income-eligible public housing families; the majority are allocated to higher rent "affordable" or market-rate tenants, thereby eroding the foundational guarantee of public housing for the lowest-income households.[479] This reliance on market feasibility rather than one-for-one, deeply affordable replacement shifts federal policy away from a rights-based housing resource and toward commoditized housing production.[480]

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[475] NAT'L HOUS. L. PROJECT, POVERTY & RACE RSCH. ACTION COUNCIL, SHERWOOD RSCH. ASSOCS., & EVERYWHERE & NOW PUB. HOUS. RESIDENTS ORG. NAT'LLY TOGETHER (ENPHRONT), FALSE HOPE: A CRITICAL ASSESSMENT OF THE HOPE VI PUBLIC HOUSING REDEVELOPMENT PROGRAM (2002), https://www.nhlp.org/files/FalseHOPE.pdf.

[476] Ed Gramlich, *Public Housing, in* THE 2025 ADVOCATES' GUIDE 4–42, 4–48 (Nat'l Low Income Hous. Coalition ed., 2025), https://nlihc.org/sites/default/files/AG-2025/4-42_Public-Housing.pdf.

[477] Ed Gramlich, *Public Housing, in* THE 2025 ADVOCATES' GUIDE 4–42, 4–48 (Nat'l Low Income Hous. Coalition ed., 2025), https://nlihc.org/sites/default/files/AG-2025/4-42_Public-Housing.pdf.

[478] Ed Gramlich, *Public Housing, in* THE 2025 ADVOCATES' GUIDE 4–42, 4–48 (Nat'l Low Income Hous. Coalition ed., 2025), https://nlihc.org/sites/default/files/AG-2025/4-42_Public-Housing.pdf.

[479] *When Hope Falls Short: HOPE VI, Accountability, and the Privatization of Public Housing*, 116 HARV. LAW REV. (2003), https://www.jstor.org/stable/1342733.

[480] SUSAN J. POPKIN ET AL., A DECADE OF HOPE VI: RESEARCH FINDINGS AND POLICY CHALLENGES 6–9 (2004), https://www.urban.org/sites/default/files/alfresco/publication-pdfs/411002-A-Decade-of-HOPE-VI.PDF (discussing shift to mixed-finance, market-oriented redevelopment and resulting loss of deeply affordable units); Lawrence J. Vale, Shomon Shamsuddin & Nicholas Kelly, *Broken Promises or Selective Memory Planning? A National Picture of HOPE VI Plans and Realities*, 28 HOUS. POL'Y DEBATE 746, 749 https://doi.org/10.1080/10511482.2018.1458245 (finding suspension of one-for-one replacement and greater emphasis on market feasibility); *see also* Taryn H. Gress, Mark L. Joseph & Seungjong Cho, *Confirmations, New Insights, and Future Implications for HOPE VI Mixed-Income Redevelopment*, 21 CITYSCAPE: A J. OF POL'Y DEV. & RSCH. 185, 259–61 (2019) (detailing expansion of public–private partnerships and critiques of commodification and net loss of deep affordability).

F. Accountability and data gaps

HOPE VI's core failure lies in its design to evade accountability. From fragmented data systems to unenforceable contracts and informal policymaking, the program's structure obscured how displacement affected original residents. HUD's reliance on non-regulatory notices, the denial of resident enforcement rights, and the prioritization of public-private efficiency over transparency all reinforced a system that could not be meaningfully evaluated. The following subsections examine how this architecture of unaccountability operated—through inconsistent data tracking, weak contractual protections, policy-by-notice governance, and market-driven implementation—leaving the true human impact of HOPE VI largely unknown, even today.

1. Fragmented and inconsistent data tracking

Since HOPE VI's inception, there has been a persistent lack of consistent, longitudinal, resident-level data tied to clear performance metrics. This failure has drastically limited both federal accountability and external assessment of outcomes experienced by original residents. For example, the National Law Project's "False HOPE" report emphasizes that even HUD-sponsored evaluations acknowledge piecemeal, uneven assessments, which preclude definitive claims about national impacts on displaced households.[481] This critique is echoed in *Hope Falls Short*, which details how the absence of regulatory requirements for data collection allowed PHAs and HUD to avoid robust monitoring and resident outcome tracking, insulating implementers from both meaningful transparency and enforceable accountability.[482]

2. Contractual limitations and lack of third-party rights

Efforts to use contract law as a vehicle for resident accountability fell short. While HUD grant agreements ostensibly required PHAs to provide for resident engagement and return rights, the agreements explicitly denied third-party beneficiary status to residents themselves, foreclosing private enforcement.[483] In practice, this meant PHAs and HUD could tout participatory provisions while ensuring that displaced residents lacked standing to compel compliance, resulting in documented failures to involve residents as promised.[484]

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[481] TOGETHER (ENPHRONT), FALSE HOPE: A CRITICAL ASSESSMENT OF THE HOPE VI PUBLIC HOUSING REDEVELOPMENT PROGRAM 26 (2002), https://www.nhlp.org/files/FalseHOPE.pdf.

[482] *When Hope Falls Short: HOPE VI, Accountability, and the Privatization of Public Housing*, 116 HARV. LAW REV. 1496–97 (2003), https://www.jstor.org/stable/1342733.

[483] *When Hope Falls Short: HOPE VI, Accountability, and the Privatization of Public Housing*, 116 HARV. LAW REV. 1486 (2003), https://www.jstor.org/stable/1342733.

[484] *See Darst-Webbe Tenant Ass'n v. St. Louis Hous. Auth.*, 202 F. Supp. 2d 938, 946–49 (E.D. Mo. 2001) (finding failure of meaningful resident involvement in St. Louis HOPE VI planning); NAT'L HOUS. L. PROJECT, POVERTY & RACE RSCH. ACTION COUNCIL, SHERWOOD RSCH. ASSOCS., & EVERYWHERE & NOW PUB. HOUS. RESIDENTS ORG. NAT'LLY TOGETHER (ENPHRONT), FALSE HOPE: A CRITICAL ASSESSMENT OF THE HOPE VI PUBLIC HOUSING REDEVELOPMENT PROGRAM 9–11 (2002), https://www.nhlp.org/files/FalseHOPE.pdf (summarizing administrative complaints and lawsuits in St. Louis, Boston, Chicago over exclusion from decision making); LARRY BURON ET AL., THE HOPE VI RESIDENT TRACKING STUDY: A SNAPSHOT OF THE CURRENT LIVING SITUATION OF ORIGINAL RESIDENTS FROM EIGHT SITES 10–12 (Urb. Inst. 2002), https://www.urban.org/sites/default/files/publication/60631/410591-The-HOPE-VI-Resident-Tracking-Study.PDF (documenting shortcomings in resident participation and noting resident litigation in Chicago and Boston).

3. *Policy by notice, not regulation*

HUD's decision to administer HOPE VI predominantly via the annual Notice of Funding Availability scores and contractual agreements, rather than through formal rulemaking, allowed it to avoid Administrative Procedural Act notice-and-comment requirements and public participation.[485] This maneuver limited procedural regularity and insulated program design and eligibility definitions from challenge or input. The evolving definition of "severely distressed" housing, changed annually without regulatory grounding, exemplifies this lack of transparency and undermines any consistent national standard for intervention.[486]

4. *Impact on accountability for public/private partners*

The alignment of public and private interests under HOPE VI, emphasizing cost minimization and leveraging outside funds, further diluted accountability mechanisms.[487] Both federal and local agencies focused on efficiency and private investment over robust data collection and long-term tracking.[488] This alignment produced a regime where neither "market incentives" nor statutory frameworks produced reliable data or baseline evaluation.[489]

5. *Implications for resident outcomes and public assessment*

Without resident-level tracking, there is scarce evidence on how original tenants fared post-demolition and relocation. The *HOPE VI Resident Tracking Study* represents one of the first attempts at a systematic snapshot[490], but itself notes major limitations: the lack of baseline data, the inability to generalize nationally, and significant gaps in knowing the full range of outcomes for the displaced.[491] Even when some data exists, such as survey responses indicating whether those displaced live in better units or neighborhoods, there is acknowledgment that many experienced hardships such as increased rent burdens, health challenges, and lack of social cohesion.[492]

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[485] *When Hope Falls Short: HOPE VI, Accountability, and the Privatization of Public Housing*, 116 HARV. LAW REV. 1492–93 (2003), https://www.jstor.org/stable/1342733; NAT'L HOUS. L. PROJECT, POVERTY & RACE RSCH. ACTION COUNCIL, SHERWOOD RSCH. ASSOCS., & EVERYWHERE & NOW PUB. HOUS. RESIDENTS ORG. NAT'LLY TOGETHER (ENPHRONT), FALSE HOPE: A CRITICAL ASSESSMENT OF THE HOPE VI PUBLIC HOUSING REDEVELOPMENT PROGRAM 18 (2002), https://www.nhlp.org/files/FalseHOPE.pdf.

[486] *When Hope Falls Short: HOPE VI, Accountability, and the Privatization of Public Housing*, 116 HARV. LAW REV. 1494 (2003), https://www.jstor.org/stable/1342733.

[487] *When Hope Falls Short: HOPE VI, Accountability, and the Privatization of Public Housing*, 116 HARV. LAW REV. 1494 (2003), https://www.jstor.org/stable/1342733.

[488] *When Hope Falls Short: HOPE VI, Accountability, and the Privatization of Public Housing*, 116 HARV. LAW REV. 1496–97 (2003), https://www.jstor.org/stable/1342733.

[489] *When Hope Falls Short: HOPE VI, Accountability, and the Privatization of Public Housing*, 116 HARV. LAW REV. 1498 (2003), https://www.jstor.org/stable/1342733.

[490] LARRY BURON ET AL., THE HOPE VI RESIDENT TRACKING STUDY: A SNAPSHOT OF THE CURRENT LIVING SITUATION OF ORIGINAL RESIDENTS FROM EIGHT SITES (Urb. Inst. 2002), https://www.urban.org/sites/default/files/publication/60631/410591-The-HOPE-VI-Resident-Tracking-Study.PDF.

[491] LARRY BURON ET AL., THE HOPE VI RESIDENT TRACKING STUDY: A SNAPSHOT OF THE CURRENT LIVING SITUATION OF ORIGINAL RESIDENTS FROM EIGHT SITES i–ix (Urb. Inst. 2002), https://www.urban.org/sites/default/files/publication/60631/410591-The-HOPE-VI-Resident-Tracking-Study.PDF.

[492] LARRY BURON ET AL., THE HOPE VI RESIDENT TRACKING STUDY: A SNAPSHOT OF THE CURRENT LIVING SITUATION OF ORIGINAL RESIDENTS FROM EIGHT SITES vii–viii (Urb. Inst. 2002), https://www.urban.org/sites/default/files/publication/60631/410591-The-HOPE-VI-Resident-Tracking-Study.PDF.

6. National consequences of data gaps: loss of affordable units and policy evasion

WRAP's *Without Housing* report situates these accountability gaps in a broader critique about the massive, permanent loss of public housing units under HOPE VI without comprehensive data on replacement or resident impacts.[493] National outlays have prioritized market subsidies, tax spending for homeowners, and privatization, while abandoning robust tracking or evaluation for poorest renters.[494] This allows policymakers to evade scrutiny over whether the program actually benefited or harmed those it displaced.[495]

The absence of consistent, robust, resident-level data undermined both national assessment and local accountability.

The persistent absence of consistent, robust, resident-level data in HOPE VI has undermined both national assessment and local accountability for outcomes experienced by original residents. The convergence of administrative, legal, and funding choices systematically stymied meaningful scrutiny.[496] As a result, "accountability" remains more rhetorical than real, and policymaking continues to be informed by an incomplete, often selective, evidence base.[497]

G. HUD success narrative

Although HUD has often characterized HOPE VI-style redevelopment as highly effective, publicly available data and standardized evaluations have not adequately confirmed such claims, especially regarding tracking resident outcomes and the fate of original households over time.[498] Independent evaluations emphasize that program performance varies a lot and that

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[493] WESTERN REGIONAL ADVOCACY PROJECT, WITHOUT HOUSING: DECADES OF FEDERAL HOUSING CUTBACKS, MASSIVE HOMELESSNESS AND POLICY FAILURES 20–23 (2010), https://www.reimaginerpe.org/files/WRAP_without_housing_PRINT_0.pdf.

[494] WESTERN REGIONAL ADVOCACY PROJECT, WITHOUT HOUSING: DECADES OF FEDERAL HOUSING CUTBACKS, MASSIVE HOMELESSNESS AND POLICY FAILURES 20–23 (2010), https://www.reimaginerpe.org/files/WRAP_without_housing_PRINT_0.pdf.

[495] WESTERN REGIONAL ADVOCACY PROJECT, WITHOUT HOUSING: DECADES OF FEDERAL HOUSING CUTBACKS, MASSIVE HOMELESSNESS AND POLICY FAILURES 20–23 (2010), https://www.reimaginerpe.org/files/WRAP_without_housing_PRINT_0.pdf.

[496] NAT'L HOUS. L. PROJECT, POVERTY & RACE RSCH. ACTION COUNCIL, SHERWOOD RSCH. ASSOCS., & EVERYWHERE & NOW PUB. HOUS. RESIDENTS ORG. NAT'LLY TOGETHER (ENPHRONT), FALSE HOPE: A CRITICAL ASSESSMENT OF THE HOPE VI PUBLIC HOUSING REDEVELOPMENT PROGRAM (2002), https://www.nhlp.org/files/FalseHOPE.pdf; *When Hope Falls Short: HOPE VI, Accountability, and the Privatization of Public Housing*, 116 HARV. LAW REV. (2003), https://www.jstor.org/stable/1342733; LARRY BURON ET AL., THE HOPE VI RESIDENT TRACKING STUDY: A SNAPSHOT OF THE CURRENT LIVING SITUATION OF ORIGINAL RESIDENTS FROM EIGHT SITES (Urb. Inst. 2002), https://www.urban.org/sites/default/files/publication/60631/410591-The-HOPE-VI-Resident-Tracking-Study.PDF.

[497] WESTERN REGIONAL ADVOCACY PROJECT, WITHOUT HOUSING: DECADES OF FEDERAL HOUSING CUTBACKS, MASSIVE HOMELESSNESS AND POLICY FAILURES (2010), https://www.reimaginerpe.org/files/WRAP_without_housing_PRINT_0.pdf

[498] NAT'L HOUS. L. PROJECT, POVERTY & RACE RSCH. ACTION COUNCIL, SHERWOOD RSCH. ASSOCS., & EVERYWHERE & NOW PUB. HOUS. RESIDENTS ORG. NAT'LLY TOGETHER (ENPHRONT), FALSE HOPE: A CRITICAL ASSESSMENT OF THE HOPE VI PUBLIC HOUSING REDEVELOPMENT PROGRAM iv (2002), https://www.nhlp.org/files/FalseHOPE.pdf.

meaningful verification requires transparent access to consistent administrative data that, to date, is lacking.[499]

HUD's HOPE VI success narrative claims highly effective redevelopment; however, existing critical research emphasizes that HUD's own public data and standardized evaluations have failed to substantiate these claims, especially regarding the long-term outcomes and locations of original residents.[500] For example, False HOPE shows HUD's reporting is incomplete and does not adequately track displaced families over time.[501] Independent evaluations consistently show wide performance variation and highlight the need for transparent, consistent administrative data, something that remains largely unavailable to researchers and policymakers.[502]

The Urban Institute's Panel Study tracked original residents from several HOPE VI developments and confirmed that while physical housing quality and neighborhood safety tended to improve post-relocation, gains in employment and family income were generally limited, and the disruption of social networks was substantial.[503] The HOPE VI Resident Tracking Study further documents relocation outcomes, showing that original households moved to many locations and faced challenges in wellbeing.[504] Academic research supports these findings, demonstrating that moving to lower-poverty areas did not quickly rebuild local social networks[505] and, in fact, weakened neighborhood ties.[506] Furthermore, health and wellbeing research connected HOPE VI relocations with increased health risk and vulnerability for certain populations.[507]

From a policy and legal perspective, critical sources such as the National Housing Law Project examine HOPE VI's demolition impacts and legal accountability,[508] and law review articles offer context around HUD's success narrative and the paradoxes of reported

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[499] SUSAN J. POPKIN ET AL., A DECADE OF HOPE VI: RESEARCH FINDINGS AND POLICY CHALLENGES 27 (2004), https://www.urban.org/sites/default/files/alfresco/publication-pdfs/411002-A-Decade-of-HOPE-VI.PDF

[500] SUSAN J. POPKIN ET AL., A DECADE OF HOPE VI: RESEARCH FINDINGS AND POLICY CHALLENGES 27 (2004), https://www.urban.org/sites/default/files/alfresco/publication-pdfs/411002-A-Decade-of-HOPE-VI.PDF

[501] SUSAN J. POPKIN ET AL., A DECADE OF HOPE VI: RESEARCH FINDINGS AND POLICY CHALLENGES 27(2004), https://www.urban.org/sites/default/files/alfresco/publication-pdfs/411002-A-Decade-of-HOPE-VI.PDF

[502] SUSAN J. POPKIN ET AL., A DECADE OF HOPE VI: RESEARCH FINDINGS AND POLICY CHALLENGES 27 (2004), https://www.urban.org/sites/default/files/alfresco/publication-pdfs/411002-A-Decade-of-HOPE-VI.PDF

[503] SUSAN J. POPKIN ET AL., URB. INST. JUST. POL'Y CTR., HOPE VI PANEL STUDY: BASELINE REPORT (2002), https://www.urban.org/research/publication/hope-vi-panel-study-baseline-report.

[504] LARRY BURON ET AL., THE HOPE VI RESIDENT TRACKING STUDY: A SNAPSHOT OF THE CURRENT LIVING SITUATION OF ORIGINAL RESIDENTS FROM EIGHT SITES (Urb. Inst. 2002), https://www.urban.org/sites/default/files/publication/60631/410591-The-HOPE-VI-Resident-Tracking-Study.PDF.

[505] Susan Clampet-Lundquist, *HOPE VI Relocation: Moving to New Neighborhoods and Building New Ties* 15 HOUS. POL'Y DEBATE 415 (2004); Alexandra K. Curley, *Relocating the Poor: Social Capital and Neighborhood Resources* 32 J. URB. AFF. 79 (2010).

[506] Susan Clampet-Lundquist, *HOPE VI Relocation: Moving to New Neighborhoods and Building New Ties* 15 HOUS. POL'Y DEBATE 415 (2004).

[507] Danya E. Keene & Arline T. Geronimus, '*Weathering' HOPE VI: The Importance of Evaluating the Population Health Impact of Public Housing Demolition and Displacement*, 88 J. URB. HEALTH, 417 (2011), https://pmc.ncbi.nlm.nih.gov/articles/PMC3126923/.

[508] NAT'L HOUS. L. PROJECT, POVERTY & RACE RSCH. ACTION COUNCIL, SHERWOOD RSCH. ASSOCS., & EVERYWHERE & NOW PUB. HOUS. RESIDENTS ORG. NAT'LLY TOGETHER (ENPHRONT), FALSE HOPE: A CRITICAL ASSESSMENT OF THE HOPE VI PUBLIC HOUSING REDEVELOPMENT PROGRAM (2002), https://www.nhlp.org/files/FalseHOPE.pdf.

redevelopment versus actual resident experience.[509] Further peer-reviewed studies and the National Commission on Severely Distressed Public Housing report provide foundational program context and goals.[510]

Data and methodological critiques, notably from the National Low Income Housing Coalition, highlight the limitations and gaps in HUD's reporting and urge caution when evaluating claims of unit replacement and resident outcomes.[511]

While HUD frames HOPE VI as a success, the aforementioned peer-reviewed and independent research highlights its mixed record, physical housing and neighborhood safety often improve, but outcomes for original residents are varied and often untracked, with substantial losses in social capital and wellbeing.[512]

H. Geographic isolation and gentrification in HOPE VI policy

Scholarly and program reviews agree that HOPE VI redevelopment generally favored sites in gentrifying or higher-value markets, as local authorities sought to maximize mixed-income financing and attract private capital.[513] This approach led to lower rates of original resident return and widespread resident displacement into lower-opportunity or segregated neighborhoods, despite the program's goal to reduce concentrated poverty.[514] While project goals included poverty deconcentration, post-relocation studies repeatedly find voucher holders now live in neighborhoods with only modest improvements in poverty rates, and little real change in opportunity structures.[515]

The prevailing scholarly consensus is that, while HOPE VI did improve some physical housing outcomes, its market-driven structure and emphasis on mixed-income redevelopment produced significant geographic isolation, displacement, and continued disadvantage for original public housing populations, casting significant doubt on its efficacy as an anti-poverty mechanism.[516]

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[509] Matthew H. Greene, *The Hope VI Paradox: Why Do HUD's Most Successful Housing Developments Fail to Benefit the Poorest of the Poor?,* 17 J. L. POLICY (2008), https://brooklynworks.brooklaw.edu/jlp/vol17/iss1/6/.

[510] NAT'L COMM'N ON SEVERELY DISTRESSED PUB. HOUS., THE FINAL REPORT OF THE NATIONAL COMMISSION ON SEVERELY DISTRESSED PUBLIC HOUSING: A REPORT TO THE CONGRESS AND THE SECRETARY OF HOUSING AND URBAN DEVELOPMENT (U.S. Dep't of Hous. & Urb. Dev. Off. of Pol'y Dev. and Rsch. 1992), https://www.huduser.gov/Portal/publications/The-Final-Report-of-the-National-Commission-on-Severely-Distressed-Public-Housing.html.

[511] Lawrence J. Vale, Shomon Shamsuddin & Nicholas Kelly, *Broken Promises or Selective Memory Planning? A National Picture of HOPE VI Plans and Realities*, 28 HOUS. POL'Y DEBATE 746 https://doi.org/10.1080/10511482.2018.1458245.

[512] See generally supra notes 509–10.

[513] *When Hope Falls Short: HOPE VI, Accountability, and the Privatization of Public Housing*, 116 HARV. LAW REV. (2003), https://www.jstor.org/stable/1342733.

[514] *When Hope Falls Short: HOPE VI, Accountability, and the Privatization of Public Housing*, 116 HARV. LAW REV. (2003), https://www.jstor.org/stable/1342733.

[515] Danya E. Keene & Arline T. Geronimus, *'Weathering' HOPE VI: The Importance of Evaluating the Population Health Impact of Public Housing Demolition and Displacement*, 88 J. URB. HEALTH 417 (2011), https://pmc.ncbi.nlm.nih.gov/articles/PMC3126923/; SUSAN J POPKIN ET AL., A DECADE OF HOPE VI (2004), https://www.urban.org/sites/default/files/alfresco/publication-pdfs/411002-A-Decade-of-HOPE-VI.PDF.

[516] *When Hope Falls Short: HOPE VI, Accountability, and the Privatization of Public Housing*, 116 HARV. LAW REV. (2003), https://www.jstor.org/stable/1342733; Danya E. Keene & Arline T. Geronimus, *'Weathering' HOPE VI: The Importance of*

V. CONCLUSION

The evidence across HOPE VI into today establishes a clear throughline: federal withdrawal from Section 9, coupled with the policy of privatization, produced an unmistakable loss of deeply affordable units, intensified displacement risks, and weakened enforceable rights for the lowest-income households. The combination of statutory design choices (no one-for-one replacement; rescreening that excludes original tenants), administrative practices (policy by notice rather than regulation), and structural incentives (leveraging private capital over public reinvestment) entrenched a supply-demand mismatch while obscuring outcomes through fragmented data. Federal policy prioritized dismantling public housing over preserving a stable housing floor, while failing to create accountability proportional to the human stakes.

Federal policies produced an unmistakable loss of deeply affordable units, intensified displacement risks, and weakened enforceable rights.

The next era must reverse those vectors by restoring a rights-based federal commitment to deeply affordable housing, codifying enforceable tenant protections, and rebuilding a transparent data infrastructure that tracks original residents over time. Success means measurable increases in deeply affordable stock, high verified return rates for original households, and demonstrable reductions in rent burden and displacement, validated by longitudinal, resident-level data.

Reversing three decades of disinvestment and privatization is a legal, administrative, and political project. But the path is a clear one: restore the public housing floor, mandate replacement and return as enforceable rights, align finance with deep affordability rather than market feasibility, and build a modern data regime that makes every outcome visible. Anything less will perpetuate the selective memory and structural scarcity that have defined the HOPE VI era and its successors.

Evaluating the Population Health Impact of Public Housing Demolition and Displacement, 88 J. URB. HEALTH 417 (2011), https://pmc.ncbi.nlm.nih.gov/articles/PMC3126923/.

Chapter 4 – The 2000s: False Hope for a New Era of Homeless Policy

In the 2000s, both Republican and Democratic presidential candidates campaigned on solving homelessness. But once the campaign rhetoric faded, their promises fell short. Instead, the federal government continued the deregulation trends of the 1980s and 1990s, dismantling legal safeguards and avoiding real investment in long-term solutions with housing and social programs. The federal government then shifted responsibility to cities, nonprofits, and faith-based groups to handle the growing homelessness crisis with minimal federal support.

After the housing bubble crash and Great Recession that followed, the federal government gave billions of dollars in bailouts to bank and corporate interests to fix the problems those industries had helped create, relying heavily on voluntary participation by these industries to keep people in homes. Even as new federal programs came online to respond to increasing homelessness and lack of housing availability and affordability, they mostly offered short-term fixes. The programs created onerous requirements and administrative burdens for service providers and people experiencing homelessness to jump through, including implementing a competitive framework for accessing artificially limited federal funding. Essentially these programs served to frame the responsibility for housing instability and homelessness as an individual problem, or at best a local problem, rather than a national systemic issue. The focus shifted to reducing the most visible aspects of homelessness instead of addressing its root causes. This era shows that homelessness did not persist because solutions were unknown or financially out of reach. Instead, the homelessness crisis persisted and grew during the 2000s because the government chose to prioritize corporate unaccountability and bailouts over protecting vulnerable people.

Section I of this chapter discusses how politicians signaled support for addressing homelessness while they simultaneously weakened housing protections via financial deregulation. The resulting mortgage crisis triggered the worst recession in U.S. history since the Great Depression. Homelessness worsened over the first fifteen years of the 2000s, and related factors such as poverty and housing affordability deteriorated.

Section II highlights several federal programs introduced in this era intended to stabilize the economy and address chronic homelessness;[517] including, the Making Home Affordable Program (MHA), the Homelessness Prevention and Rapid Re-housing Program (HPRP), and implementation of the Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) legislation. Even local programs which received federal grant funding, such as the Chronic Homelessness Initiative (CHI), were limited by federal program rules, and failed to reduce homelessness despite innovative approaches and supplementing efforts with private funding.

Section III considers how these programs and legislation ultimately failed to meaningfully reduce homelessness. They ignored its systemic causes, suffered from poor design (e.g., "incentives" rather than oversight, artificial distinctions between people experiencing homelessness, and arbitrary or contradictory eligibility criteria), and created competitive funding awards and pressure on those providing services to demonstrate quantifiable outcomes. By focusing on reducing the most visible aspects of homelessness and ignoring root causes, these federal programs created conditions that will ensure homelessness continues.

Finally, Section IV summarizes these impacts and explores how they could be used to justify even more deregulation and defunding—or, more concerningly—punitive approaches that could serve to suppress, hide, and harm those already most likely to be marginalized.

I. INTRODUCTORY CONTEXT

The early 2000s marked a paradoxical moment in national homelessness policy: public rhetoric suggested renewed commitment, yet the corresponding policy choices continued to harm that most needing support. Even as political leaders proclaimed ambitious goals and called for compassion, the federal government simultaneously withdrew resources, devolved responsibility to local actors, and expanded deregulation that continued to destabilize the nation's housing system. This widening gap between what political leaders promised and what they delivered shaped the decade's response to homelessness and set the stage for a deepening crisis that persists today.

[517] U.S. DEP'T OF HOUS. & URB. DEV., *Definition of Chronic Homelessness: How Is Chronic Homelessness Defined?,* HUD Exchange (last visited Oct. 16, 2025), https://www.hudexchange.info/homelessness-assistance/coc-esg-virtual-binders/coc-esg-homeless-eligibility/definition-of-chronic-homelessness/ (defining "chronic homelessness" as applying to those with a disability who have experienced homelessness for at least 12 months either contiguously or for a total of 12 months over the past three years on at least four separate occasions).

A. More talk, but less action on homelessness made conditions worse

Overall, the political rhetoric during the early 2000s appeared more supportive of addressing homelessness, especially compared to the Reagan era. For example, in the late 1990s, the Clinton administration claimed that the federal budget surplus would fund a progressive national agenda, including progress on homelessness and housing.[518] During his campaign, George W. Bush declared that "ending chronic homelessness in the next decade" was "a top objective."[519] Homelessness advocates also diverged philosophically, with some calling for a focus on ending chronic homelessness and increased supportive housing, noting that those experiencing chronic homelessness utilize a disproportionate share of supportive services. Meanwhile, others advocated for addressing all forms of homelessness and tackling the bigger issue of affordable housing.[520] In 2003, Congress passed the Bringing America Home resolution, which called for a "Right to Housing" and contained programs related to housing, income support, and social services.[521] The national conversation about addressing homelessness seemed promising, but ultimately politicians failed to take consistent action.

Instead, they cut federal programs while shifting responsibility to local governments and community organizations. This approach aligned with the Reagan-era rhetoric which framed homelessness as a "choice" and emphasized "individual responsibility," including suggestions that churches and synagogues should take in homeless families to deflect responsibility from the government or federal policies.[522] When President Bush took office in 2001, he continued this trend, issuing one of his first Executive Orders to define how his administration would address social needs such as poverty, hunger, and homelessness.[523] Rather than relying on the federal government, Bush directed the administration to mobilize faith-based organizations and local communities to provide solutions and services.[524] For example, he directed the U.S. Department of Housing and Urban Development (HUD) to create the Unlocking Doors Initiative to provide information to faith-based and community organizations and local governments

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[518] Rob Rosenthal & Maria Foscarinis, *Responses to Homelessness: Past Policies, Future Directions, and a Right to Housing*, in *A Right to Housing: Foundation for a New Social Agenda* (Rachel G. Bratt, Michael E. Stone & Chester Hartman eds., Temple Univ. Press 2006).

[519] Rob Rosenthal & Maria Foscarinis, *Responses to Homelessness: Past Policies, Future Directions, and a Right to Housing*, in *A Right to Housing: Foundation for a New Social Agenda* 17 (Rachel G. Bratt, Michael E. Stone & Chester Hartman eds., Temple Univ. Press 2006).

[520] Rob Rosenthal & Maria Foscarinis, *Responses to Homelessness: Past Policies, Future Directions, and a Right to Housing*, in *A Right to Housing: Foundation for a New Social Agenda* 7–8 (Rachel G. Bratt, Michael E. Stone & Chester Hartman eds., Temple Univ. Press 2006).

[521] Rob Rosenthal & Maria Foscarinis, *Responses to Homelessness: Past Policies, Future Directions, and a Right to Housing*, in *A Right to Housing: Foundation for a New Social Agenda* 8 (Rachel G. Bratt, Michael E. Stone & Chester Hartman eds., Temple Univ. Press 2006).

[522] Frank Perez, *Reagan and Neoliberalism: Foundational Policies That Encourage the Creation of the Homeless Industrial Complex* 3–4 (Preprint, Feb. 7, 2025), https://www.researchgate.net/publication/388800232.

[523] THE WHITE HOUSE, *The Quiet Revolution: The President's Faith-Based and Community Initiative: A Seven-Year Progress Report Letter From President Bush*, THE WHITE HOUSE ARCHIVES (Feb. 2008), https://georgewbush-whitehouse.archives.gov/government/fbci/qr1.html.

[524] THE WHITE HOUSE, *The Quiet Revolution: The President's Faith-Based and Community Initiative: A Seven-Year Progress Report Letter From President Bush*, THE WHITE HOUSE ARCHIVES (Feb. 2008), https://georgewbush-whitehouse.archives.gov/government/fbci/qr1.html.

about effective ways to develop affordable housing or promote homeownership.[525] At the same time, the Bush Administration requested cuts of more than $1.6 billion to Section 8 units and vouchers in its 2002 and 2004 proposed budgets, and HUD announced in 2004 it would no longer pay the full cost of existing vouchers.[526]

The federal Continuum of Care (CoC)[527] framework established in the mid-1990s, used federal match dollars to incentivize state and local governments to design complementary plans to address homelessness.[528] Yet, local initiatives remain heavily dependent on federal funding.[529] Many local governments are reluctant to lead investments, for fear of becoming a regional magnet to those in need and having their services overwhelmed.[530] The trend of funding cuts, deregulation, and decreased public services continued well into the 2000s, exacerbating the vulnerabilities in the housing system and creating conditions that led to the mortgage crisis and subsequent recession.

B. Deregulation: a catalyst of housing destabilization

Home ownership and renting grew increasingly expensive and unattainable for many as the trend of deregulation from previous decades continued into the 2000s, triggering a cascade of institutional failures that disproportionately harmed the most vulnerable. Banking deregulation changed how mortgages were marketed, originated, and recorded and the sale and securitization[531] of subprime[532] mortgages subsequently became widespread during the 1990s.[533] In the early 2000s, increased mortgage lending created a growing bubble of real

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[525] THE WHITE HOUSE, *The Quiet Revolution: The President's Faith-Based and Community Initiative: A Seven-Year Progress Report Letter From President Bush*, THE WHITE HOUSE ARCHIVES (Feb. 2008), https://georgewbush-whitehouse.archives.gov/government/fbci/qr1.html.

[526] Rob Rosenthal & Maria Foscarinis, *Responses to Homelessness: Past Policies, Future Directions, and a Right to Housing*, in *A Right to Housing: Foundation for a New Social Agenda* 18 (Rachel G. Bratt, Michael E. Stone & Chester Hartman eds., Temple Univ. Press 2006).

[527] NAT'L ALL. TO END HOMELESSNESS, *What Is a Continuum of Care?* (Jan. 14, 2010) (last visited Oct. 16, 2025), https://endhomelessness.org/resources/policy-information/ (explaining that a "Continuum of Care" is a "regional or local planning body that coordinates housing and services funding" for people experiencing homelessness. The U.S. Department of Housing and Urban Development requires those who wish to apply and receive federal grant funding for homelessness programs to do so under this type of organization).

[528] Rob Rosenthal & Maria Foscarinis, *Responses to Homelessness: Past Policies, Future Directions, and a Right to Housing*, in *A Right to Housing: Foundation for a New Social Agenda* 11–12 (Rachel G. Bratt, Michael E. Stone & Chester Hartman eds., Temple Univ. Press 2006).

[529] Rob Rosenthal & Maria Foscarinis, *Responses to Homelessness: Past Policies, Future Directions, and a Right to Housing*, in *A Right to Housing: Foundation for a New Social Agenda* 11–12 (Rachel G. Bratt, Michael E. Stone & Chester Hartman eds., Temple Univ. Press 2006).

[530] Rob Rosenthal & Maria Foscarinis, *Responses to Homelessness: Past Policies, Future Directions, and a Right to Housing*, in *A Right to Housing: Foundation for a New Social Agenda* 37 (Rachel G. Bratt, Michael E. Stone & Chester Hartman eds., Temple Univ. Press 2006).

[531] Tamar Frankel, *The Problems of Securitizing Sub-Prime Loans*, 1 ASIAN BUS. LAW. 20, 23 (2008) (explaining that "securitization" is a process where lenders bundle higher risk loans together and use the larger pool of loans to back securities which they market and sell to investors hoping to earn more money compared to more secure investments such as government bonds).

[532] Tamar Frankel, *The Problems of Securitizing Sub-Prime Loans*, 1 ASIAN BUS. L. 20, 22 (2008) (explaining that "subprime" mortgages carry higher interest rates than prime mortgages and are often marketed to "higher risk" borrowers with lower credit ratings).

[533] Rob Rosenthal & Maria Foscarinis, *Responses to Homelessness: Past Policies, Future Directions, and a Right to Housing*, in *A Right to Housing: Foundation for a New Social Agenda* 37 (Rachel G. Bratt, Michael E. Stone & Chester Hartman eds., Temple Univ. Press 2006).

estate prices, as lenders began offering riskier loans because of the ease with which they could dilute the risk.[534] As a result of this increased demand, home prices doubled over the course of six years.[535] The housing bubble drove mortgages and rents higher, pricing out those with the most need.[536]

The bubble was both caused by and reinforced by these pressures, as financial systems and laws incentivized lenders and borrowers to develop new ways to structure and profit from mortgages.[537] Despite consumer protection laws that prohibited unfair or deceptive practices, mortgage lenders misled both borrowers and investors by pushing high-risk and often unaffordable predatory loans.[538] To attract more borrowers, they targeted those who would not qualify for a traditional mortgage with low-interest-rate subprime mortgages that would later rise to high variable rates, assuring them that they could refinance or sell as a result of rising home values.[539]

The vast majority of subprime mortgages were made to racial or ethnic minorities, as well as low-income families.[540] These populations were more at risk than others, because of historical barriers to home ownership stemming from discriminatory practices such as redlining,[541] mortgage exclusion, and unfavorable mortgage terms.[542] Examples exist during this era where 30-year mortgage interest rates in predominantly minority neighborhoods were as high as 9.00 percent,[543] even though the average rate ranged between a low of 5.21 percent in 2003 and a high of 6.74 percent in 2006.[544] Subprime mortgages looked like the perfect opportunity to buy a home for those who were previously excluded from homeownership, and

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[534] Rob Rosenthal & Maria Foscarinis, *Responses to Homelessness: Past Policies, Future Directions, and a Right to Housing*, in *A Right to Housing: Foundation for a New Social Agenda* 26 (Rachel G. Bratt, Michael E. Stone & Chester Hartman eds., Temple Univ. Press 2006).

[535] U.S. DEP'T OF THE TREASURY, *Troubled Asset Relief Program: Housing* (Feb. 8, 2025), https://home.treasury.gov/data/troubled-assets-relief-program/housing.

[536] *See* Adam J. Levitin & Susan M. Wachter, *Explaining The Housing Bubble*, (Pub. L. & Legal Theory Working Paper Series Research Paper No. 1669401, 2010), https://realestate.wharton.upenn.edu/wp-content/uploads/2017/03/689.pdf (noting the glut of financing enabled borrowers to bid up housing prices, fueling rapid price increases); *see also* Gregg Colburn et. al., *The dynamics of housing cost burden among renters in the United States*, 47 J. OF URB. AFF. 2403–2422 (2024), https://doi.org/10.1080/07352166.2023.2288587 (finding rising "housing cost burden" is associated with adverse outcomes for low-income and vulnerable renters).

[537] *See generally* Adam J. Levitin & Susan M. Wachter, *Explaining The Housing Bubble*, (Pub. L. & Legal Theory Working Paper Series Research Paper No. 1669401, 2010), https://realestate.wharton.upenn.edu/wp-content/uploads/2017/03/689.pdf.

[538] Joseph William Singer, *Foreclosure and the Failures of Formality, or Subprime Mortgage Conundrums and How to Fix Them*, 46 CONN. L. REV. 2, 497, 532 (2013).

[539] Tamar Frankel, *The Problems of Securitizing Sub-Prime Loans*, 1 ASIAN BUS. L. 20, 26-27 (2008).

[540] Aleatra P. Williams, *Foreclosing Foreclosure: Escaping the Yawning Abyss of the Deep Mortgage and Housing Crisis*, 7 NW. J. L. & SOC. POL'Y. 455, 507 (2012), https://scholarlycommons.law.northwestern.edu/njlsp/vol7/iss2/7/.

[541] Aleatra P. Williams, *Foreclosing Foreclosure: Escaping the Yawning Abyss of the Deep Mortgage and Housing Crisis*, 7 NW. J. L. & SOC. POL'Y. 455, 469 (2012), https://scholarlycommons.law.northwestern.edu/njlsp/vol7/iss2/7/ (explaining that "redlining" refers to the practice of restricting mortgage lending or marking certain neighborhoods as "higher risk" due to having larger percentages of minorities).

[542] Aleatra P. Williams, *Foreclosing Foreclosure: Escaping the Yawning Abyss of the Deep Mortgage and Housing Crisis*, 7 NW. J. L. & SOC. POL'Y. 455, 469 (2012), https://scholarlycommons.law.northwestern.edu/njlsp/vol7/iss2/7/.

[543] Aleatra P. Williams, *Foreclosing Foreclosure: Escaping the Yawning Abyss of the Deep Mortgage and Housing Crisis*, 7 NW. J. L. & SOC. POL'Y. 455, 469 (2012), https://scholarlycommons.law.northwestern.edu/njlsp/vol7/iss2/7/.

[544] FREDDIE MAC, *Mortgage Rates: Primary Mortgage Market Survey* (last visited Oct. 14, 2025), https://www.freddiemac.com/pmms.

for predatory lenders hoping to make easy money, thus creating the runaway market bubble as more borrowers and lenders rushed to obtain or profit from mortgages.

The housing market bubble burst in 2007, taking down many large financial institutions and forcing families out of their homes. As the foreclosures began, a snowball effect of decreasing home values and increasing foreclosures resulted in the worst recession since the Great Depression.[545] Racial minorities experienced more foreclosures than any other group, resulting in destabilization and deep harms to these communities.[546] As lenders foreclosed and repossessed properties, neighboring home values dropped, leading lenders to evict residents and leave properties vacant and unmaintained as they waited on market conditions to improve.[547]

Racial minorities experienced more foreclosures than any other group.

As evicted renters and former-homeowners scrambled to find new housing options, the increased demand in the rental market resulted in higher rents and less supply of housing.[548] Several studies suggest that upwards of 40% of the families affected by the mortgage crisis were renters.[549] One report estimated that 11% of American children were affected by the crisis, one-third of whom were in rental housing.[550] By 2010, the deficit of affordable and available rental units for extremely low-income families reached 6.8 million.[551] Minorities, children, renters, and low-income families took the brunt of the fallout from the collapse, facing increased poverty and reduced housing availability and affordability as a result.

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[545] Joseph William Singer, *Foreclosure and the Failures of Formality, or Subprime Mortgage Conundrums and How to Fix Them*, 46 CONN. L. REV. 2, 497, 500 (2013).

[546] Aleatra P. Williams, *Foreclosing Foreclosure: Escaping the Yawning Abyss of the Deep Mortgage and Housing Crisis*, 7 NW. J. L. & SOC. POL'Y. 455, 467 (2012), https://scholarlycommons.law.northwestern.edu/njlsp/vol7/iss2/7/.

[547] Aleatra P. Williams, *Foreclosing Foreclosure: Escaping the Yawning Abyss of the Deep Mortgage and Housing Crisis*, 7 NW. J. L. & SOC. POL'Y. 455, 511 (2012), https://scholarlycommons.law.northwestern.edu/njlsp/vol7/iss2/7/.

[548] SHAMBHAVI MANGLIK, NAT'L LOW INCOME HOUSING COAL., RENTERS IN FORECLOSURE: A FRESH LOOK AT AN ONGOING PROBLEM 14 (2012), https://nlihc.org/sites/default/files/Renters_in_Foreclosure_2012.pdf.

[549] SHAMBHAVI MANGLIK, NAT'L LOW INCOME HOUSING COAL., RENTERS IN FORECLOSURE: A FRESH LOOK AT AN ONGOING PROBLEM xi, 3, 5 (2012), https://nlihc.org/sites/default/files/Renters_in_Foreclosure_2012.pdf.

[550] SHAMBHAVI MANGLIK, NAT'L LOW INCOME HOUSING COAL., RENTERS IN FORECLOSURE: A FRESH LOOK AT AN ONGOING PROBLEM 6 (2012), https://nlihc.org/sites/default/files/Renters_in_Foreclosure_2012.pdf.

[551] SHAMBHAVI MANGLIK, NAT'L LOW INCOME HOUSING COAL., RENTERS IN FORECLOSURE: A FRESH LOOK AT AN ONGOING PROBLEM 14 (2012), https://nlihc.org/sites/default/files/Renters_in_Foreclosure_2012.pdf.

C. Homelessness-related factors worsened between 2000 and 2015

During the first fifteen years of the 2000s, poverty in the U.S. rose by 36 percent, and the median sale price of existing family homes rose by nearly 55 percent. In 2000, the number of people living in poverty totaled 31.6 million, or 11.3 percent of the total U.S. population.[552] A wave of increased poverty in the wake of the mortgage crisis is evident in the data, rising steadily to a peak of 46.7 million (14.8 percent) in 2014 before gradually decreasing.[553] Since 2000, those under the age of 18 living below poverty levels rose from 16.2 percent to a high of 22 percent in 2010, before dropping slightly to 18.7 percent by 2015.[554] In 2015, children made up 33.6 percent of those living in poverty.[555] Those living in extreme poverty (below 50 percent of the poverty level) rose from 4.5 percent to a high of 6.7 percent in 2010, falling slightly to 6.1 percent in 2015.[556] Poverty alone, however, cannot fully explain homelessness.

About 29 percent of those living in shelters are employed full time, and 54 percent are employed at least part time.[557] This data contradicts common narratives that homelessness is primarily due to personal failings or an unwillingness to work; instead showing the vast majority of those experiencing homelessness are employed, and even those working full time are not immune to the risk of homelessness.

29 percent of those living in shelters are employed full time, and 54 percent are employed at least part time.

[552] U.S. Census Bureau, *Current Population Survey, Annual Social and Economic Supplements: Technical Documentation* 2, Table 2, *Poverty Status of People by Family Relationship, Race, and Hispanic Origin: 1959 to 2024* (2025), https://www2.census.gov/programs-surveys/cps/tables/time-series/historical-poverty-people/hstpov2.xlsx (last visited Nov. 29, 2025).

[553] U.S. Census Bureau, *Current Population Survey, Annual Social and Economic Supplements,* Table 2, *Poverty Status of People by Family Relationship, Race, and Hispanic Origin: 1959 to 2024* (2025), https://www2.census.gov/programs-surveys/cps/tables/time-series/historical-poverty-people/hstpov2.xlsx (last visited Nov. 29, 2025).

[554] U.S. Census Bureau, *Current Population Survey, Annual Social and Economic Supplements,* Table 3, *Poverty Status of People, by Age, Race, and Hispanic Origin: 1959 to 2024* (2025), https://www2.census.gov/programs-surveys/cps/tables/time-series/historical-poverty-people/hstpov3.xlsx (last visited Nov. 29, 2025).

[555] U.S. Census Bureau, *Current Population Survey, Annual Social and Economic Supplements,* Table 3, *Poverty Status of People, by Age, Race, and Hispanic Origin: 1959 to 2024* (2025), https://www2.census.gov/programs-surveys/cps/tables/time-series/historical-poverty-people/hstpov3.xlsx (last visited Nov. 29, 2025).

[556] U.S. Census Bureau, *Current Population Survey, Annual Social and Economic Supplements,* Table 6, *Number and Percent of People at Varying Degrees of Poverty and the Near Poor: 1959 to 2024* (2025), https://www2.census.gov/programs-surveys/cps/tables/time-series/historical-poverty-people/hstpov6.xlsx (last visited Nov. 29, 2025).

[557] Brian Glassman, Soc., Econ., And Hous. Stat. Div., & U.S. Census Bureau, The Relationship Between The Population Experiencing Homelessness And Living In Shelters And Poverty 9 (Soc., Econ., And Hous. Stat. Div. Working Paper FY-2025-09, 2025), https://www2.census.gov/library/working-papers/2025/demo/sehsd-wp2025-09.pdf.

In fact, high housing costs may be a more significant factor driving homelessness than poverty.[558] In 2000, the median sale price for an existing single-family home was $143,600.[559] At the height of the housing bubble in 2006, the median price rose to $221,900 before dropping to $166,100 after the crash.[560] Prices did not stay low for long, however, and by 2015 the median price reached $222,400, exceeding the peak bubble amount.[561] It should come as no surprise that as poverty and housing costs increased during the 2000s, rates of homelessness followed suit.

D. Homelessness increased between 2004 and 2015

Data measuring homelessness is notoriously challenging and under representative of its scope, but trends across existing measures show a growing crisis that is largely unabated. For example, existing data suggests that homelessness among school children increased by 99% over a decade during the height of the mortgage crisis. The National Center for Homeless Education publishes annual counts of children experiencing homelessness on behalf of the U.S. Department of Education (DOE) to ensure they have access to free public education as required by federal law.[562] During the 2004-05 school year, public schools across the country reported 655,591 children experiencing homelessness.[563] By the 2015-16 school year, that number rose to 1,304,803.[564] This near doubling of homelessness among schoolchildren contradicted trends seen in other government counts.

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[558] BRIAN GLASSMAN, SOC., ECON., AND HOUS. STAT. DIV., & U.S. CENSUS BUREAU, THE RELATIONSHIP BETWEEN THE POPULATION EXPERIENCING HOMELESSNESS AND LIVING IN SHELTERS AND POVERTY 12 (SOC., ECON., AND HOUS. STAT. DIV. Working Paper FY-2025-09, 2025), https://www2.census.gov/library/working-papers/2025/demo/sehsd-wp2025-09.pdf.

[559] U.S. DEP'T. OF HOUS. & URB. DEV., *U.S. Housing Market Conditions: National Housing Market Summary and Data: Demand Data – Home Prices* (last visited Oct. 13, 2025), https://www.huduser.gov/portal/ushmc/hd_home_prices.html?indicator=ExPrice.

[560] U.S. DEP'T. OF HOUS. & URB. DEV., *U.S. Housing Market Conditions: National Housing Market Summary and Data: Demand Data – Home Prices* (last visited Oct. 13, 2025), https://www.huduser.gov/portal/ushmc/hd_home_prices.html?indicator=ExPrice.

[561] U.S. DEP'T. OF HOUS. & URB. DEV., *U.S. Housing Market Conditions: National Housing Market Summary and Data: Demand Data – Home Prices* (last visited Oct. 13, 2025), https://www.huduser.gov/portal/ushmc/hd_home_prices.html?indicator=ExPrice.

[562] NAT'L CTR. FOR HOMELESS EDUC., *Education for Homeless Children and Youth Program Analysis of Data From the 2006-07 Federally Required State Data Collection for the McKinney-Vento Education Assistance Improvements Act of 2001 and Comparison of the 2004-05, 2005-06, and 2006-07 Data Collections* 2 (2008), https://nche.ed.gov/wp-content/uploads/2018/12/data_comp_03-06.pdf.

[563] NAT'L CTR. FOR HOMELESS EDUC., *Education for Homeless Children and Youth Program Analysis of Data From the 2006-07 Federally Required State Data Collection for the McKinney-Vento Education Assistance Improvements Act of 2001 and Comparison of the 2004-05, 2005-06, and 2006-07 Data Collections* 6 (2008), https://nche.ed.gov/wp-content/uploads/2018/12/data_comp_03-06.pdf.

[564] NAT'L CTR. FOR HOMELESS EDUC., *Student Homelessness in America, School Years 2019-20 to 2021-22* iii (2021), https://nche.ed.gov/wp-content/uploads/2021/04/Federal-Data-Summary-SY-16.17-to-18.19-Final.pdf.

HUD also publishes annual reports estimating the number of people and households experiencing homelessness, gathered from their Continuums of Care (CoC) programs.[565] While school counts are relatively robust because they are counted over the entire school year, the HUD data is less reliable because it is based on shelter counts and an annual volunteer-conducted Point-in-Time (PIT) count of unhoused people living on the street conducted on a single night in January.[566] Such counts cannot be accurate, especially factoring in the cold weather, when those who are turned away from full shelters often "double up" with friends and family and therefore go uncounted.[567] PIT counts also do not capture those in hospitals, rehabilitation facilities, or those who are incarcerated.[568] Nevertheless, in 2005, HUD estimated 763,010 people were experiencing homelessness, with 344,845 living unsheltered.[569] By 2015, HUD estimated 564,708 people were experiencing homelessness, with 173,268 unsheltered.[570] The difference between the DOE and HUD counts shows the problem of HUD undercounts and calls into question the practice of basing federal funding distributions on "need" (e.g., from PIT counts). For example, DOE reported 1,205,292 children experiencing homelessness in 2022[571] while HUD reported only 582,462 children and adults experiencing homelessness that same year.[572]

HUD data is unreliable because it measures how many people live on the street based on a single night in January.

Data from other official government sources are also lacking. The U.S. Census Bureau cannot account for the total homeless population, because its household surveys only collect

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[565] U.S. Dep't Of Hous. & Urb. Dev., *HUD Exchange: CoC Homeless Populations and Subpopulations Reports* 1 (2025), https://www.hudexchange.info/programs/coc/coc-homeless-populations-and-subpopulations-reports.
[566] Nat'l L. Ctr. On Homelessness & Poverty, *Don't Count on It: How The HUD Point-in-Time Count Underestimates The Homelessness Crisis in America* 6, 12 (2017), https://homelesslaw.org/wp-content/uploads/2018/10/HUD-PIT-report2017.pdf.
[567] Nat'l L. Ctr. On Homelessness & Poverty, *Don't Count on It: How The HUD Point-in-Time Count Underestimates The Homelessness Crisis in America* 12 (2017), https://homelesslaw.org/wp-content/uploads/2018/10/HUD-PIT-report2017.pdf.
[568] Nat'l L. Ctr. On Homelessness & Poverty, *Don't Count on It: How The HUD Point-in-Time Count Underestimates The Homelessness Crisis in America* 6, 12 (2017), https://homelesslaw.org/wp-content/uploads/2018/10/HUD-PIT-report2017.pdf.
[569] U.S. Dep't Of Hous. & Urb. Dev., *HUD's 2005 Continuum of Care Homeless Assistance Programs Homeless Populations and Subpopulations Full Summary Report (All States, Territories, Puerto Rico and District of Columbia)* 1 (2007), https://files.hudexchange.info/reports/published/CoC_PopSub_NatlTerrDC_2005.pdf.
[570] U.S. Dep't Of Hous. & Urb. Dev., *HUD's 2015 Continuum of Care Homeless Assistance Programs Homeless Populations and Subpopulations Full Summary Report (All States, Territories, Puerto Rico and District of Columbia)* 1 (2015), https://files.hudexchange.info/reports/published/CoC_PopSub_NatlTerrDC_2015.pdf.
[571] Nat'l Ctr. For Homeless Educ., *Education for Homeless Children and Youth Program Analysis of Data From the 2006-07 Federally Required State Data Collection for the McKinney-Vento Education Assistance Improvements Act of 2001 and Comparison of the 2004-05, 2005-06, and 2006-07 Data Collections* iii (2008), https://nche.ed.gov/wp-content/uploads/2018/12/data_comp_03-06.pdf.
[572] U.S. Dep't Of Hous. & Urb. Dev., *HUD's 2022 Continuum of Care Homeless Assistance Programs Homeless Populations and Subpopulations Full Summary Report (All States, Territories, Puerto Rico and District of Columbia)* 1 (2022), https://files.hudexchange.info/reports/published/CoC_PopSub_NatlTerrDC_2022.pdf.

information from those living in shelters, not those living on the streets.[573] Nevertheless, in the 2000 census they counted the number of people living in emergency and transitional shelters as 170,706,[574] and by the 2010 census the number had risen to 209,325, nearly a 23 percent increase.[575] Despite the lack of complete and accurate data quantifying levels of homelessness in the U.S., the data suggests that homelessness most likely increased over the first 15 years of the 21st century.

In summary, changing political tides in the 2000s and the fallout from the Great Recession opened the door for a shift in governmental approaches to addressing poverty and homelessness, which largely failed to reduce homelessness and, in many respects, worsened conditions. Policymakers introduced various programs detailed below; some aspects showed promise, while others fell short. This piecemeal approach, however, addressed only the most visible problems while ignoring the underlying causes of homelessness, leaving the door open for continued personal blame and policies that criminalize survival and incentivize profit in the delivery of basic needs like housing.

II. NEW LAWS AND POLICIES

Following the financial crisis, the federal government introduced a series of new policies, gradually shifting its focus from rescuing the financial system to social interventions centered on housing and homelessness. The following major programs and legislation—MHA, HPRP, and HEARTH—collectively reflect how the government attempted to strike a balance between financial stability and housing justice. While MHA and its subprograms were created in response to the housing crash, they ultimately ended up protecting banks and more secure homeowners, leaving renters, low-income families, and those in "upside-down" mortgages out in the cold. The HPRP, while seen as a real attempt to address the root causes of homelessness, suffered from poor design still rooted in the perspective of individual blame focusing assistance primarily to those deemed "deserving." Meanwhile, the HEARTH Act and HUD implementation reorganized federal programs and introduced the "Housing First" concept into federal policy, but also made local programs compete for limited funds, operationally undermining this concept. Local examples like San Francisco's CHI show how federal programs exerted pressure on cities to focus on quick results and measurable "success."

A. Making Home Affordable (MHA) Program

The federal government's initial response to the mortgage crisis disproportionately benefited the very institutions that created the collapse. In late 2008, as Congress became aware of the financial and housing crisis, legislators authorized $475 billion under the Troubled

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[573] BRIAN GLASSMAN, SOC., ECON., AND HOUS. STAT. DIV., & U.S. CENSUS BUREAU, THE RELATIONSHIP BETWEEN THE POPULATION EXPERIENCING HOMELESSNESS AND LIVING IN SHELTERS AND POVERTY 1 (SOC., ECON., AND HOUS. STAT. DIV. Working Paper FY-2025-09, 2025), https://www2.census.gov/library/working-papers/2025/demo/sehsd-wp2025-09.pdf.

[574] ANNETTA C. SMITH, DENISE I. SMITH & U.S. CENSUS BUREAU, EMERGENCY AND TRANSITIONAL SHELTER POPULATION: 2000 5 (2001), https://www2.census.gov/prod2/2001pubs/censr01-2.pdf.

[575] AMY S. SMITH ET AL., THE EMERGENCY AND TRANSITIONAL SHELTER POPULATION: 2010 2 (2012), https://www.census.gov/content/dam/Census/library/publications/2012/dec/c2010sr-02.pdf.

Asset Relief Program (TARP).[576] The majority of these funds, $429 billion, was directed towards stabilizing banking and related financial markets; only $46 billion was allocated to foreclosure relief under MHA.[577] They committed around $250 billion to stabilizing banking institutions, $27 billion to restarting credit markets, $82 billion to stabilizing the U.S. auto industry, and $70 billion to American International Group (a large seller of mortgage-backed securities)[578] to prevent its insolvency.[579] Ultimately, only about 18.5% of the total funding went to support individuals and families.

Although the MHA program was designed to assist families facing mortgage defaults, in practice, most TARP funds flowed to large financial institutions rather than at-risk homeowners. This reflected a policy focused on rescuing the market rather than directly supporting households.[580] This imbalance in resource allocation emphasizes the government's priorities during the crisis—the banking sector received over five times more aid than went to foreclosure relief and homeowner support.[581]

The banking sector received over 5X more aid than homeowners received in foreclosure relief.

MHA established two primary arms, the Home Affordability Modification Program (HAMP) and the Home Affordable Refinance Program (HARP).[582] HAMP was designed to help borrowers who were past due or in default on their mortgages, allowing them to petition their loan servicers to reduce monthly payments to no more than 31 percent of their gross monthly income as long as they met several eligibility criteria.[583] However, the program lacked a meaningful mechanism to ensure loan servicer accountability.[584] This failure left borrowers with no power to address mistreatment or impose liability, and ultimately resulted in more homeowners being removed from the program than receiving permanent relief.[585] HAMP canceled hundreds of thousands of mortgage modifications—more than three times the number of homeowners that stayed in the

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[576] U.S. DEP'T OF THE TREASURY, *Troubled Asset Relief Program* (Feb. 8, 2025), https://home.treasury.gov/data/troubled-asset-relief-program.
[577] U.S. DEP'T OF THE TREASURY, *Troubled Asset Relief Program* (Feb. 8, 2025), https://home.treasury.gov/data/troubled-asset-relief-program.
[578] Robert McDonald & Anna Paulson, *AIG in Hindsight*, 29 J. OF ECON. PERSP. 81, 81–106 (2015).
[579] U.S. DEP'T OF THE TREASURY, *Troubled Asset Relief Program* (Feb. 8, 2025), https://home.treasury.gov/data/troubled-asset-relief-program.
[580] U.S. DEP'T OF THE TREASURY, *Troubled Asset Relief Program* 1–2 (Feb. 8, 2025), https://home.treasury.gov/data/troubled-asset-relief-program; Robert McDonald & Anna Paulson, *AIG in Hindsight*, 29 J. OF ECON. PERSP. 81, 81–106 (2015).
[581] U.S. DEP'T OF THE TREASURY, *Troubled Asset Relief Program* 1–3 (Feb. 8, 2025), https://home.treasury.gov/data/troubled-asset-relief-program
[582] Aleatra P. Williams, *Foreclosing Foreclosure: Escaping the Yawning Abyss of the Deep Mortgage and Housing Crisis*, 7 NW. J. L. & SOC. POL'Y. 455, 478 (2012), https://scholarlycommons.law.northwestern.edu/njlsp/vol7/iss2/7/.
[583] Aleatra P. Williams, *Foreclosing Foreclosure: Escaping the Yawning Abyss of the Deep Mortgage and Housing Crisis*, 7 NW. J. L. & SOC. POL'Y. 455, 487 (2012), https://scholarlycommons.law.northwestern.edu/njlsp/vol7/iss2/7/.
[584] Aleatra P. Williams, *Foreclosing Foreclosure: Escaping the Yawning Abyss of the Deep Mortgage and Housing Crisis*, 7 NW. J. L. & SOC. POL'Y. 455, 487–88 (2012), https://scholarlycommons.law.northwestern.edu/njlsp/vol7/iss2/7/.
[585] Aleatra P. Williams, *Foreclosing Foreclosure: Escaping the Yawning Abyss of the Deep Mortgage and Housing Crisis*, 7 NW. J. L. & SOC. POL'Y. 455, 487–88 (2012), https://scholarlycommons.law.northwestern.edu/njlsp/vol7/iss2/7/.

program—and "continued to impose complicated new rules on the program that are expensive for servicers to administer and difficult for homeowners to understand."[586] In early 2011, legislators voted to cut any new funding for the HAMP program, less than three years after its creation.[587]

HARP was intended to help borrowers who needed to refinance underwater mortgages for lower interest rates.[588] However, the program was hindered by several obstacles for both borrowers and lenders, including strict rules, limits on past late payments, and high fees.[589] As a result, out of the estimated 4 million borrowers who met the basic eligibility for refinancing, about 800,000 borrowers were able to participate.[590]

The MHA program ended in late 2016.[591] Its termination reinforces the government's choice to continue prioritizing the capital system over advancing more structural housing justice reforms in the wake of the financial crisis.[592]

B. Homelessness Prevention and Rapid Re-housing Program (HPRP)

As more homeowners and renters were pushed out of housing due to the mortgage crisis and recession, the government realized that the quick fixes attempted under the MHA program were not enough, and that faster re-housing for those losing their homes was necessary. The result was the first large-scale federal investment in prevention-oriented homelessness programs launched in 2009 under HPRP.[593] However, HPRP ultimately suffered from the same flawed assumptions that individual choices were to blame for housing instability, and it came with limitations intended to restrict assistance to only those deemed "worthy."

Unlike previous policies centered on stabilizing financial markets, HPRP marked the federal government's first attempt to shift focus toward "preventing" homelessness, seeking to directly intervene in household housing security amid the aftermath of the economic crisis. This policy was viewed at the time as a humane and innovative shift.[594] Funded at $1.5 billion under

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[586] *Foreclosure Prevention Part II: Are Loan Services Honoring Their Commitments to Help Preserve Homeownership?: Hearing Before the H. Comm. on Oversight & Gov't Reform*, 111th Cong. (2010) (statement of Rep. Darrell Issa, Ranking Member), https://oversight.house.gov/wp-content/uploads/2012/01/2010.06.24_Ranking_Member_Statement.pdf.

[587] Aleatra P. Williams, *Foreclosing Foreclosure: Escaping the Yawning Abyss of the Deep Mortgage and Housing Crisis*, 7 NW. J. L. & SOC. POL'Y.455, 487–88 (2012), https://scholarlycommons.law.northwestern.edu/njlsp/vol7/iss2/7/.

[588] Aleatra P. Williams, *Foreclosing Foreclosure: Escaping the Yawning Abyss of the Deep Mortgage and Housing Crisis*, 7 NW. J. L. & SOC. POL'Y. 455, 488 (2012), https://scholarlycommons.law.northwestern.edu/njlsp/vol7/iss2/7/.

[589] Aleatra P. Williams, *Foreclosing Foreclosure: Escaping the Yawning Abyss of the Deep Mortgage and Housing Crisis*, 7 NW. J. L. & SOC. POL'Y. 455, 489 (2012), https://scholarlycommons.law.northwestern.edu/njlsp/vol7/iss2/7/.

[590] Aleatra P. Williams, *Foreclosing Foreclosure: Escaping the Yawning Abyss of the Deep Mortgage and Housing Crisis*, 7 NW. J. L. & SOC. POL'Y. 455, 489 (2012), https://scholarlycommons.law.northwestern.edu/njlsp/vol7/iss2/7/.

[591] U.S. DEP'T OF THE TREASURY, *Troubled Asset Relief Program* (Feb. 8, 2025), https://home.treasury.gov/data/troubled-asset-relief-program.

[592] U.S. DEP'T OF THE TREASURY, *Troubled Asset Relief Program* 1–2 (Feb. 8, 2025), https://home.treasury.gov/data/troubled-asset-relief-program.

[593] MARY CUNNINGHAM, MARTHA R. BURT & MOLLY SCOTT, HOMELESSNESS PREVENTION STUDY: PREVENTION PROGRAMS FUNDED BY THE HOMELESSNESS PREVENTION AND RAPID RE-HOUSING PROGRAM (U.S. Dep't of Hous. & Urb. Dev., Office of Pol'y Dev. & Rsch.; Urb. Inst.; Abt Assocs.; Cloudburst Consulting Grp. 2015), https://www.huduser.gov/portal/sites/default/files/pdf/HPRP-report.pdf.

[594] MARY CUNNINGHAM, MARTHA R. BURT & MOLLY SCOTT, HOMELESSNESS PREVENTION STUDY: PREVENTION PROGRAMS FUNDED BY THE HOMELESSNESS PREVENTION AND RAPID RE-HOUSING PROGRAM iii, xv (U.S. Dep't of Hous. & Urb. Dev., Office of Pol'y Dev. & Rsch.; Urb. Inst.; Abt Assocs.; Cloudburst Consulting Grp. 2015), https://www.huduser.gov/portal/sites/default/files/pdf/HPRP-report.pdf.

the American Recovery and Reinvestment Act, HPRP grants were distributed to 535 state, county, city, and territorial governments, who in turn subgranted to nearly 2,500 direct service providers.[595] Resources were intended to be split between homelessness prevention and rapid re-housing for the recently homeless; though allocations shifted over time, by 2011, about 70 percent of HPRP funds went to prevention and 30 percent to re-housing.[596]

The rapid re-housing component of HPRP was widely regarded as successful in stabilizing households and preventing shelter entry, but was a short-lived program with the primary goal of providing relief to the housing crisis post-recession.[597] Despite some successes, narrow and conflicting eligibility rules hampered the prevention component: households had to be both at "imminent" risk of homelessness and also able to stay housed after short-term assistance ended, which was typically capped at six months.[598] These contradictory tests excluded many—both the most vulnerable, deemed "too needy," and those with slightly higher incomes who failed to meet the narrow criteria.[599] HPRP's implementation exposed inherent systemic contradictions: recipients had to simultaneously prove they were "at risk of becoming homeless" yet "capable of self-sufficiency," effectively excluding many genuinely vulnerable families. This design reflected the federal government's logic under a false scarcity mindset: assisting "those most likely to succeed" rather than "those most in need."[600]

Narrow and conflicting eligibility rules hampered prevention.

Though HPRP was never intended to be a long-term program with ongoing funding, its significance lies in establishing the nation's first preventive data tracking and collaborative framework, laying the groundwork for subsequent policies like the HEARTH Act. Yet it also reminds us that without long-term funding and institutional safeguards, even the best ideas

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[595] MARY CUNNINGHAM, MARTHA R. BURT & MOLLY SCOTT, HOMELESSNESS PREVENTION STUDY: PREVENTION PROGRAMS FUNDED BY THE HOMELESSNESS PREVENTION AND RAPID RE-HOUSING PROGRAM xv (U.S. Dep't of Hous. & Urb. Dev., Office of Pol'y Dev. & Rsch.; Urb. Inst.; Abt Assocs.; Cloudburst Consulting Grp. 2015), https://www.huduser.gov/portal/sites/default/files/pdf/HPRP-report.pdf.

[596] MARY CUNNINGHAM, MARTHA R. BURT & MOLLY SCOTT, HOMELESSNESS PREVENTION STUDY: PREVENTION PROGRAMS FUNDED BY THE HOMELESSNESS PREVENTION AND RAPID RE-HOUSING PROGRAM 16 (U.S. Dep't of Hous. & Urb. Dev., Office of Pol'y Dev. & Rsch.; Urb. Inst.; Abt Assocs.; Cloudburst Consulting Grp. 2015), https://www.huduser.gov/portal/sites/default/files/pdf/HPRP-report.pdf.

[597] MARY CUNNINGHAM, MARTHA R. BURT & MOLLY SCOTT, HOMELESSNESS PREVENTION STUDY: PREVENTION PROGRAMS FUNDED BY THE HOMELESSNESS PREVENTION AND RAPID RE-HOUSING PROGRAM iii (U.S. Dep't of Hous. & Urb. Dev., Office of Pol'y Dev. & Rsch.; Urb. Inst.; Abt Assocs.; Cloudburst Consulting Grp. 2015), https://www.huduser.gov/portal/sites/default/files/pdf/HPRP-report.pdf.

[598] MARY CUNNINGHAM, MARTHA R. BURT & MOLLY SCOTT, HOMELESSNESS PREVENTION STUDY: PREVENTION PROGRAMS FUNDED BY THE HOMELESSNESS PREVENTION AND RAPID RE-HOUSING PROGRAM 41–42 (U.S. Dep't of Hous. & Urb. Dev., Office of Pol'y Dev. & Rsch.; Urb. Inst.; Abt Assocs.; Cloudburst Consulting Grp. 2015), https://www.huduser.gov/portal/sites/default/files/pdf/HPRP-report.pdf.

[599] MARY CUNNINGHAM, MARTHA R. BURT & MOLLY SCOTT, HOMELESSNESS PREVENTION STUDY: PREVENTION PROGRAMS FUNDED BY THE HOMELESSNESS PREVENTION AND RAPID RE-HOUSING PROGRAM xvii, 41–42, 62, 65 (U.S. Dep't of Hous. & Urb. Dev., Office of Pol'y Dev. & Rsch.; Urb. Inst.; Abt Assocs.; Cloudburst Consulting Grp. 2015), https://www.huduser.gov/portal/sites/default/files/pdf/HPRP-report.pdf.

[600] MARY CUNNINGHAM, MARTHA R. BURT & MOLLY SCOTT, HOMELESSNESS PREVENTION STUDY: PREVENTION PROGRAMS FUNDED BY THE HOMELESSNESS PREVENTION AND RAPID RE-HOUSING PROGRAM 41–42, 62 (U.S. Dep't of Hous. & Urb. Dev., Office of Pol'y Dev. & Rsch.; Urb. Inst.; Abt Assocs.; Cloudburst Consulting Grp. 2015), https://www.huduser.gov/portal/sites/default/files/pdf/HPRP-report.pdf.

struggle to endure.[601] Design and implementation varied widely across jurisdictions, with communities forced to build programs largely from scratch: developing intake systems, hiring staff, and coordinating across mainstream agencies without established best practices.[602] The HPRP program introduced significant data collection requirements, risk assessments, and "coordinated entry"[603] systems tracked in a national database, the Homeless Management Information System (HMIS).[604] Although HMIS was briefly referenced in HEARTH legislation, it was developed primarily as a data-system rather than a component of HPRP. Nearly 80% of grantees reported that HPRP led their communities to invest time and resources in managing prevention data for the first time, reflecting a shift toward performance tracking that sometimes came at the expense of direct prevention services.[605] The challenges associated with HPRP led Congress to create a nationally coordinated and long-term structure through reauthorization and expansion of the expiring McKinney-Vento Act.

C. Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH)

Building upon HPRP's initial attempts at "prevention," the HEARTH Act represents the federal government's further institutionalization of its response to homelessness. This legislation marks a transition from "temporary relief" to "structural long-term strategies," aiming to establish a nationally unified, quantifiable housing response system.[606] HEARTH both reauthorized and expanded the McKinney-Vento Act of 1987.[607] While it maintained the previously established programs, it also included several key amendments. One major amendment consolidated three major housing assistance programs–the Supportive Housing program, the Shelter Plus Care program, and the Single Room Occupancy program–into a single

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[601] MARY CUNNINGHAM, MARTHA R. BURT & MOLLY SCOTT, HOMELESSNESS PREVENTION STUDY: PREVENTION PROGRAMS FUNDED BY THE HOMELESSNESS PREVENTION AND RAPID RE-HOUSING PROGRAM 84, 91–94 (U.S. Dep't of Hous. & Urb. Dev., Office of Pol'y Dev. & Rsch.; Urb. Inst.; Abt Assocs.; Cloudburst Consulting Grp. 2015), https://www.huduser.gov/portal/sites/default/files/pdf/HPRP-report.pdf.

[602] MARY CUNNINGHAM, MARTHA R. BURT & MOLLY SCOTT, HOMELESSNESS PREVENTION STUDY: PREVENTION PROGRAMS FUNDED BY THE HOMELESSNESS PREVENTION AND RAPID RE-HOUSING PROGRAM 30, 39, 47–48 (U.S. Dep't of Hous. & Urb. Dev., Office of Pol'y Dev. & Rsch.; Urb. Inst.; Abt Assocs.; Cloudburst Consulting Grp. 2015), https://www.huduser.gov/portal/sites/default/files/pdf/HPRP-report.pdf.

[603] U.S. DEP'T OF HOUS. & URB. DEV., NOTICE ESTABLISHING ADDITIONAL REQUIREMENTS FOR A CONTINUUM OF CARE CENTRALIZED OR COORDINATED ASSESSMENT SYSTEM (Notice CPD-17-01, Jan. 23, 2017), (explaining that "coordinated entry" is the term applied to the U.S. Department of Housing and Urban Development's requirements for each organization (Continuum of Care, or CoC) that receives federal funds to address homelessness to "establish and operate a 'centralized or coordinated assessment system' . . . with the goal of increasing the efficiency of local crisis response systems and improving fairness and ease of access to resources . . . ."), https://www.hud.gov/sites/documents/17-01cpdn.pdf.

[604] MARY CUNNINGHAM, MARTHA R. BURT & MOLLY SCOTT, HOMELESSNESS PREVENTION STUDY: PREVENTION PROGRAMS FUNDED BY THE HOMELESSNESS PREVENTION AND RAPID RE-HOUSING PROGRAM 84, 91, 94 (U.S. Dep't of Hous. & Urb. Dev., Office of Pol'y Dev. & Rsch.; Urb. Inst.; Abt Assocs.; Cloudburst Consulting Grp. 2015), https://www.huduser.gov/portal/sites/default/files/pdf/HPRP-report.pdf.

[605] MARY CUNNINGHAM, MARTHA R. BURT & MOLLY SCOTT, HOMELESSNESS PREVENTION STUDY: PREVENTION PROGRAMS FUNDED BY THE HOMELESSNESS PREVENTION AND RAPID RE-HOUSING PROGRAM 91–94 (U.S. Dep't of Hous. & Urb. Dev., Office of Pol'y Dev. & Rsch.; Urb. Inst.; Abt Assocs.; Cloudburst Consulting Grp. 2015), https://www.huduser.gov/portal/sites/default/files/pdf/HPRP-report.pdf.

[606] LIBBY PERL, CONG. RSCH. SERV., RL33765, THE HUD HOMELESS ASSISTANCE PROGRAMS AUTHORIZED BY THE HEARTH ACT 3–4, 10–12 (2017), https://www.congress.gov/crs-product/RL33764.

[607] H.R 1877 - 111th Congress (2009-2010): Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009, H.R. 1877, 111th Cong., at 4 (2009), https://www.congress.gov/bill/111th-congress/house-bill/1877.

CoC program.[608] CoCs, receiving a majority of the HEARTH budget in the form of competitive grants, primarily focused on providing longer-term housing and services to individuals.[609] A central facet of the CoC strategy was to establish a board of representatives, with membership including local government employees and previously homeless individuals, to shape local priorities and strategies.[610] The original Emergency Solutions Grant was renamed to the Emergency Shelter Grants, it expanded its focus from providing emergency shelter and services to also include homeless prevention and rapid re-housing.[611]

HUD dispersed HEARTH federal funding through competitive grants which required local governments and aid organizations to repeatedly apply for CoC funding before each fiscal funding cycle to address homelessness.[612] Applicants must meet a long list of criteria and focus on HUD priorities to receive funding, regardless of if those priorities align with local needs.[613] There were multiple ways that communities were incentivized.[614] High-performing communities were granted more flexibility in how they used their funds; communities that used proven strategies, such as diverting funds towards permanent housing, were granted bonuses.[615] The HMIS collected data about intakes and outcomes, which were used to analyze local needs and past successes for future rounds of competitive grant awards.[616] While competitive grant systems enhanced efficiency and accountability tracking, they inadvertently trapped communities in a so-called "performance trap."[617] In other words, local governments were compelled to pursue short-term, visible outcomes such as reduced street populations or increased housing placement rates, leaving little time to address deeper structural issues of housing shortages and poverty.[618] This approach to funding resulted in local governments and aid organizations dedicating vast amounts of time to repeated application cycles and implementing new programs designed to address HUD priorities in order to remain eligible for future funding cycles, limiting their ability to address local priorities and on-the-ground needs.

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[608] LIBBY PERL, CONG. RSCH. SERV., RL33765, THE HUD HOMELESS ASSISTANCE PROGRAMS AUTHORIZED BY THE HEARTH ACT 10–11 (2017), https://www.congress.gov/crs-product/RL33764.
[609] LIBBY PERL, CONG. RSCH. SERV., RL33765, THE HUD HOMELESS ASSISTANCE PROGRAMS AUTHORIZED BY THE HEARTH ACT 10 (2017), https://www.congress.gov/crs-product/RL33764.
[610] LIBBY PERL, CONG. RSCH. SERV., RL33765, THE HUD HOMELESS ASSISTANCE PROGRAMS AUTHORIZED BY THE HEARTH ACT 12 (2017), https://www.congress.gov/crs-product/RL33764.
[611] LIBBY PERL, CONG. RSCH. SERV., RL33765, THE HUD HOMELESS ASSISTANCE PROGRAMS AUTHORIZED BY THE HEARTH ACT 7 (2017), https://www.congress.gov/crs-product/RL33764.
[612] Steve Berg, *The Hearth Act*, 15 CITYSCAPE: A J. OF POL'Y DEV. & RSCH. 317, 320 (2013).
[613] Steve Berg, *The Hearth Act*, 15 CITYSCAPE: A J. OF POL'Y DEV. & RSCH. 317, 320 (2013).
[614] Steve Berg, *The Hearth Act*, 15 CITYSCAPE: A J. OF POL'Y DEV. & RSCH. 317, 320 (2013); LIBBY PERL, CONG. RSCH. SERV., RL33765, THE HUD HOMELESS ASSISTANCE PROGRAMS AUTHORIZED BY THE HEARTH ACT 16–17 (2017), https://www.congress.gov/crs-product/RL33764.
[615] Steve Berg, *The Hearth Act*, 15 CITYSCAPE: A J. OF POL'Y DEV. & RSCH. 317, 320 (2013).
[616] LIBBY PERL, CONG. RSCH. SERV., RL33765, THE HUD HOMELESS ASSISTANCE PROGRAMS AUTHORIZED BY THE HEARTH ACT 12–13 (2017), https://www.congress.gov/crs-product/RL33764.
[617] Patrick J. Fowler et. al., *Capability Traps Impeding Homeless Services: A Community-Based System Dynamics Evaluation. Evaluation and Program Planning*, 45 J. Soc. Serv. Rsch. 348–59 (2018), 10.1080/01488376.2018.1480560.
[618] Patrick J. Fowler et. al., *Capability Traps Impeding Homeless Services: A Community-Based System Dynamics Evaluation. Evaluation and Program Planning*, 45 J. Soc. Serv. Rsch. 348–59 (2018), 10.1080/01488376.2018.1480560.

Another example of HEARTH implementation that highlights limitations in meeting community needs is the implementation of the "Housing First" policy framework. This concept was embraced by the Bush Administration[619] as a governing principle for addressing chronic homelessness.[620] The idea aimed to provide immediate, non-conditional access to permanent housing and other voluntary supportive services (e.g., case management, behavioral health, employment support) to sustain tenancy and wellbeing.[621] Under HEARTH, Housing First efforts sat primarily within the CoC framework and attempted to operationalize a rights-oriented stance: housing is treated as the platform for recovery and social inclusion, and services are offered without preconditions such as sobriety or treatment compliance.[622] While Housing First approaches stand on the important principle that "housing is a basic human right" and eliminate problematic prerequisites like sobriety or treatment, its implementation is often simplified to "housing visible chronically homeless individuals," overlooking other groups with latent or hidden housing instability. This narrow application limits the policy to addressing symptoms rather than root causes, despite its evidence-based and progressive nature.[623]

Local governments were compelled to pursue short-term, visible outcomes over deeper structural interventions.

Another way that HUD's implementation of HEARTH shifted priorities in addressing visible homelessness over less visible aspects was through significantly changing the statutory definition of homelessness to encompass chronic homelessness.[624] The original Act defined an unhoused person as an "individual who lacks a fixed, regular and adequate nighttime residence and an individual who has a primary nighttime residence that is . . . temporary."[625] While HEARTH retained this original definition in the legislation, following enactment HUD promulgated regulations in 2011 which redefined homelessness into four broad categories: 1) individuals "living in places not meant for human habitation, in emergency shelters, in

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[619] Victoria Stanhope & Kerry Dunn, *The curious case of Housing First: the limits of evidence based policy*, 34 INT'L. J. OF L. PSYCHIATRY 275 (2011), https://doi.org/10.1016/j.ijlp.2011.07.006.
[620] Reuben Addo & Paula Gerstenblatt, *Housing First: A Policy Analysis of the Hearth Act* 2 J. OF POL'Y PRAC. & RSCH. 90 (2021), https://doi.org/10.1007/s42972-021-00025-2.
[621] Reuben Addo & Paula Gerstenblatt, *Housing First: A Policy Analysis of the Hearth Act* 2 J. OF POL'Y PRAC. & RSCH., RL33765, THE HUD HOMELESS ASSISTANCE PROGRAMS AUTHORIZED BY THE HEARTH ACT 90 (2021), https://doi.org/10.1007/s42972-021-00025-2.
[622] Reuben Addo & Paula Gerstenblatt, *Housing First: A Policy Analysis of the Hearth Act* 2 J. OF POL'Y PRAC. & RSCH. 90, 95 (2021), https://doi.org/10.1007/s42972-021-00025-2.
[623] Reuben Addo & Paula Gerstenblatt, *Housing First: A Policy Analysis of the Hearth Act* 2 J. OF POL'Y PRAC. & RSCH. 90, 94–97 (2021), https://doi.org/10.1007/s42972-021-00025-2; LIBBY PERL, CONG. RSCH. SERV., RL33765, THE HUD HOMELESS ASSISTANCE PROGRAMS AUTHORIZED BY THE HEARTH ACT 16–17 (2017), https://www.congress.gov/crs-product/RL33764.
[624] Lucinda Richards, The Homeless Emergency Assistance and Rapid Transition to Housing Act: A Policy Analysis (May 2019) (Master of Social Work thesis, School of Social Work California State University, Long Beach) (ProQuest), https://www.proquest.com/openview/f4d66fb5e0460a3bead1bde1350fe8b1/1?pq-origsite=gscholar&cbl=18750&diss=y.
[625] Lucinda Richards, The Homeless Emergency Assistance and Rapid Transition to Housing Act: A Policy Analysis 3 (May 2019) (Master of Social Work thesis, School of Social Work California State University, Long Beach) (ProQuest), https://www.proquest.com/openview/f4d66fb5e0460a3bead1bde1350fe8b1/1?pq-origsite=gscholar&cbl=18750&diss=y.

transitional housing, or exiting an institution where they temporarily resided if they were in a shelter or place not meant for human habitation before entering the institution"; 2) individuals "who are losing their primary nighttime residence . . . within 14 days" and are unable to remain in housing; 3) "[f]amilies with children or unaccompanied youth who are unstably housed and likely to continue in that state"; and 4) those who are "fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking, or other dangerous or life-threatening situations related to violence" who have no other residence and are unable to obtain permanent housing.[626] In 2015, HUD also published a final rule for a definition of "chronically homeless" used in the CoC program. This definition includes homeless individuals with a disability who have been unhoused for 12 consecutive months or on four separate occasions in the last three years, or who have been in an institution; or families with an adult head of households who meets these criteria. These definitions created a legal distinction between chronic homelessness and housing instability as separate groups.[627]

Budget allocations reveal that while the HEARTH Act emphasized integration and expansion, actual funding increases remained limited and struggled to support its ambitious vision. Consequently, the policy moved toward modernization in structure but perpetuated the longstanding issues of scarce resources and competitive allocation in practice.[628] Overall, the HEARTH Act established a nationwide policy framework while exposing a federal dilemma: even with improved strategies and greater data transparency, insufficient funding and political will trap local implementers in a cycle of "managing problems rather than solving them."[629]

D. San Francisco-based Chronic Homelessness Initiative (CHI)

Local programs reveal how federal policy priorities and requirements under HPRP and HEARTH shape the effectiveness of homelessness response. Launched in 2017, Tipping Point Community, a San Francisco Bay Area antipoverty nonprofit, launched the CHI, a five-year, $100 million effort to reduce chronic homelessness. This reflected the continued influence of federal funding priorities established under the HEARTH Act.[630] This initiative combined public and private funds to support more than 30 programs and catalyzed major changes in the city's homeless response to people experiencing chronic homelessness.[631] Under the federal framework established by the HEARTH Act, local governments and nonprofit organizations began experimenting with innovative approaches to implement the "housing first" philosophy,

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[626] NAT'L ALLIANCE TO END HOMELESSNESS, CHANGES IN THE HUD DEFINITION OF "HOMELESS" 1 (Jan. 18, 2012), https://endhomelessness.org/resources/policy-information/changes-in-the-hud-definition-of-homeless/.
[627] LIBBY PERL, CONG. RSCH. SERV., RL33765, THE HUD HOMELESS ASSISTANCE PROGRAMS AUTHORIZED BY THE HEARTH ACT 3 (2017), https://www.congress.gov/crs-product/RL33764.
[628] Steve Berg, *The Hearth Act*, 15 CITYSCAPE: A J. OF POL'Y DEV. & RSCH. 317, 321 (2013); LIBBY PERL, CONG. RSCH. SERV., RL33765, THE HUD HOMELESS ASSISTANCE PROGRAMS AUTHORIZED BY THE HEARTH ACT 28–32 (2017), https://www.congress.gov/crs-product/RL33764.
[629] LIBBY PERL, CONG. RSCH. SERV., RL33765, THE HUD HOMELESS ASSISTANCE PROGRAMS AUTHORIZED BY THE HEARTH ACT 12–13 (2017), https://www.congress.gov/crs-product/RL33764; Reuben Addo & Paula Gerstenblatt, *Housing First: A Policy Analysis of the Hearth Act* 2 J. OF POL'Y PRAC. & RSCH. 90, 96–98 (2021), https://doi.org/10.1007/s42972-021-00025-2.
[630] SAMANTHA BATKO ET AL., URB. INST., EVALUATION OF TIPPING POINT COMMUNITY'S CHRONIC HOMELESSNESS INITIATIVE: FINAL REPORT vi (2024), https://www.urban.org/sites/default/files/2024-03/Evaluation_of_Tipping_Point_Communitys_CHI.pdf.
[631] SAMANTHA BATKO ET AL., URB. INST., EVALUATION OF TIPPING POINT COMMUNITY'S CHRONIC HOMELESSNESS INITIATIVE: FINAL REPORT vi (2024), https://www.urban.org/sites/default/files/2024-03/Evaluation_of_Tipping_Point_Communitys_CHI.pdf.

although still constrained by HUD's federal requirements and definitions. [632] CHI can be seen as an extension of this trend, striving to translate federal policy principles into local action and testing viable long-term solutions through public-private partnerships.[633]

CHI's largest investment was the Homes for the Homeless Fund for new permanent supportive housing ($50.7M, about 50 percent of total spending), followed by the Flexible Housing Subsidy Pool ($9.1M, 9 percent) and the Moving On Initiative, which helps voucher holders transition to market housing ($3.7M, 4 percent).[634] Projects served as proofs of concept to show what was possible and justify further government investment. [635] For example, CHI employed scattered-site Permanent Supportive Housing (PSH) and innovative financing models that leveraged private donations to establish models and approaches intended to ultimately be sustained solely with public funds.[636] However, substantial funding does not automatically translate into long-term outcomes.[637] While CHI successfully expanded PSH and innovative financing models, it remained constrained by administrative procedures and certification requirements under federal regulations. This led to prolonged vacancies in some housing units, resulting in lower-than-expected actual occupancy rates.[638]

Because the COVID-19 pandemic disrupted the 2023 PIT count, insufficient data exists to verify whether the programs actually resulted in any decrease in homelessness; based on available evidence, CHI likely did not meet the goal of halving the chronically homeless population.[639] Anecdotal reports indicated that new cases of homelessness rose faster than housing placements, and that prevention efforts lacked the scale and evidence-based design to stop more people from becoming chronically homeless.[640] Operational issues, such as documentation hurdles due to federal requirements and resulting PSH vacancies, created systemic bottlenecks.[641] Ultimately, CHI's challenges stemmed not from insufficient effort but from structural constraints in an environment of persistent housing shortages and soaring rents, even while numerous individual placement programs struggled to reverse broader

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[632] SAMANTHA BATKO ET AL., URB. INST., EVALUATION OF TIPPING POINT COMMUNITY'S CHRONIC HOMELESSNESS INITIATIVE: FINAL REPORT vi (2024), https://www.urban.org/sites/default/files/2024-03/Evaluation_of_Tipping_Point_Communitys_CHI.pdf.
[633] SAMANTHA BATKO ET AL., URB. INST., EVALUATION OF TIPPING POINT COMMUNITY'S CHRONIC HOMELESSNESS INITIATIVE: FINAL REPORT vi (2024), https://www.urban.org/sites/default/files/2024-03/Evaluation_of_Tipping_Point_Communitys_CHI.pdf.
[634] SAMANTHA BATKO ET AL., URB. INST., EVALUATION OF TIPPING POINT COMMUNITY'S CHRONIC HOMELESSNESS INITIATIVE: FINAL REPORT ix, 11 (2024), https://www.urban.org/sites/default/files/2024-03/Evaluation_of_Tipping_Point_Communitys_CHI.pdf.
[635] SAMANTHA BATKO ET AL., URB. INST., EVALUATION OF TIPPING POINT COMMUNITY'S CHRONIC HOMELESSNESS INITIATIVE: FINAL REPORT xii (2024), https://www.urban.org/sites/default/files/2024-03/Evaluation_of_Tipping_Point_Communitys_CHI.pdf.
[636] SAMANTHA BATKO ET AL., URB. INST., EVALUATION OF TIPPING POINT COMMUNITY'S CHRONIC HOMELESSNESS INITIATIVE: FINAL REPORT xii (2024), https://www.urban.org/sites/default/files/2024-03/Evaluation_of_Tipping_Point_Communitys_CHI.pdf.
[637] SAMANTHA BATKO ET AL., URB. INST., EVALUATION OF TIPPING POINT COMMUNITY'S CHRONIC HOMELESSNESS INITIATIVE: FINAL REPORT xii, xvii (2024), https://www.urban.org/sites/default/files/2024-03/Evaluation_of_Tipping_Point_Communitys_CHI.pdf.
[638] SAMANTHA BATKO ET AL., URB. INST., EVALUATION OF TIPPING POINT COMMUNITY'S CHRONIC HOMELESSNESS INITIATIVE: FINAL REPORT xii, xvii (2024), https://www.urban.org/sites/default/files/2024-03/Evaluation_of_Tipping_Point_Communitys_CHI.pdf.
[639] SAMANTHA BATKO ET AL., URB. INST., EVALUATION OF TIPPING POINT COMMUNITY'S CHRONIC HOMELESSNESS INITIATIVE: FINAL REPORT vii(2024), https://www.urban.org/sites/default/files/2024-03/Evaluation_of_Tipping_Point_Communitys_CHI.pdf.
[640] SAMANTHA BATKO ET AL., URB. INST., EVALUATION OF TIPPING POINT COMMUNITY'S CHRONIC HOMELESSNESS INITIATIVE: FINAL REPORT xvii (2024), https://www.urban.org/sites/default/files/2024-03/Evaluation_of_Tipping_Point_Communitys_CHI.pdf.
[641] SAMANTHA BATKO ET AL., URB. INST., EVALUATION OF TIPPING POINT COMMUNITY'S CHRONIC HOMELESSNESS INITIATIVE: FINAL REPORT xvii (2024), https://www.urban.org/sites/default/files/2024-03/Evaluation_of_Tipping_Point_Communitys_CHI.pdf.

trends.[642] This highlights the limitations of local policy: when federal support is inadequate, city-level innovations cannot bridge systemic gaps.[643]

During CHI, the City of San Francisco also implemented HUD-required "coordinated entry"[644] and the ONE System HMIS, standardizing how their system recorded access, assessment, referral, and prioritization.[645] New requirements included tracking "prioritization status" to indicate whether a person and their circumstances were high enough on the HUD's priority list, with effective dates and changes.[646] In summary, while CHI exemplified a new paradigm of local agency and data-driven management, its experience also reminds us that without federal-level housing supply reforms and fiscal commitment, local innovation risks becoming trapped in a cycle of "managing crises with technical fixes" rather than "addressing crises at their root."[647]

Federal programs during this era reacted to the homelessness crisis, instead of preventing it. They offered limited, temporary help instead of rebuilding a real safety net. Even reforms that sounded new, like Housing First, were limited by funding rules and competition that rewarded short-term outcomes over lasting change.

III. IMPACTS ON HOUSING AND HOMELESSNESS

Gauging the success of any homelessness program begins with assessing its impact on the target population, which in this policy area is typically measured through HUD's annual PIT counts. These counts are highly unreliable and consistently underrepresent the true extent of homelessness, as they exclude those living doubled-up with friends or family, in hospitals, or in temporary or unsafe accommodations.[648] Nevertheless, the PIT count remains the most commonly used metric and continues to shape federal funding and performance assessments.[649] Despite its limitations and significant blind spots, available data, along with

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[642] SAMANTHA BATKO ET AL., URB. INST., EVALUATION OF TIPPING POINT COMMUNITY'S CHRONIC HOMELESSNESS INITIATIVE: FINAL REPORT vi–vii (2024), https://www.urban.org/sites/default/files/2024-03/Evaluation_of_Tipping_Point_Communitys_CHI.pdf.

[643] SAMANTHA BATKO ET AL., URB. INST., EVALUATION OF TIPPING POINT COMMUNITY'S CHRONIC HOMELESSNESS INITIATIVE: FINAL REPORT vi–vii (2024), https://www.urban.org/sites/default/files/2024-03/Evaluation_of_Tipping_Point_Communitys_CHI.pdf.

[644] U.S. DEP'T OF HOUS. & URB. DEV., NOTICE ESTABLISHING ADDITIONAL REQUIREMENTS FOR A CONTINUUM OF CARE CENTRALIZED OR COORDINATED ASSESSMENT SYSTEM (Notice CPD-17-01, Jan. 23, 2017), (explaining that "coordinated entry" is the term applied to the U.S. Department of Housing and Urban Development's requirements for each organization (Continuum of Care, or CoC) that receives federal funds to address homelessness to "establish and operate a 'centralized or coordinated assessment system' . . . with the goal of increasing the efficiency of local crisis response systems and improving fairness and ease of access to resources . . . ."), https://www.hud.gov/sites/documents/17-01cpdn.pdf.

[645] U.S. DEP'T. OF HOUS. & URB. DEV., FY 2024 HMIS DATA STANDARDS MANUAL 109–11 (2025), https://files.hudexchange.info/resources/documents/HMIS-Data-Standards-Manual-2024.pdf.

[646] U.S. DEP'T. OF HOUS. & URB. DEV., FY 2024 HMIS DATA STANDARDS MANUAL 110 (2025), https://files.hudexchange.info/resources/documents/HMIS-Data-Standards-Manual-2024.pdf.

[647] SAMANTHA BATKO ET AL., URB. INST., EVALUATION OF TIPPING POINT COMMUNITY'S CHRONIC HOMELESSNESS INITIATIVE: FINAL REPORT vi–vii, xvii (2024), https://www.urban.org/sites/default/files/2024-03/Evaluation_of_Tipping_Point_Communitys_CHI.pdf.

[648] NAT'L L. CTR. ON HOMELESSNESS & POVERTY, *Don't Count on It: How The HUD Point-in-Time Count Underestimates The Homelessness Crisis in America* 12 (2017), https://homelesslaw.org/wp-content/uploads/2018/10/HUD-PIT-report2017.pdf.

[649] NAT'L L. CTR. ON HOMELESSNESS & POVERTY, *Don't Count on It: How The HUD Point-in-Time Count Underestimates The Homelessness Crisis in America* 8 (2017), https://homelesslaw.org/wp-content/uploads/2018/10/HUD-PIT-report2017.pdf.

other indicators, reveal important patterns that illustrate the broader landscape and persistence of homelessness during this era.

As previously outlined, nearly every structural indicator tied to housing insecurity, poverty rates, home prices, and rental costs, worsened during this time period. The rate of poverty rose by over a third, and the median home price increased by more than 50 percent, while wages stagnated.[650] Yet even these figures fail to capture the full picture: despite record employment among those living in shelters,[651] homelessness among schoolchildren nearly doubled,[652] exposing how fragile and exclusionary the housing market had become. Even when HUD counts suggest a decline in some measures of homelessness, DOE data reveals an approximately 100 percent increase. This contrast exposes not just a data flaw, but a policy one, with federal success measures designed to minimize visible homelessness rather than reflect on the ground realities. Further flaws emerged in the design of federal programs that framed homelessness as an individual issue rather than a systemic one.

A. Federal programs targeted individuals and visibility, rather than systemic failures

Under HEARTH, statutory redefinitions of homelessness were intended to broaden eligibility and expand program reach.[653] However, evidence suggests these goals were not achieved. HUD's categorizations and definitions ended up creating more problems.

In practice, especially when combined with HUD priorities to reduce visible chronic homelessness, these definitions resulted in a drastic narrowing of aid accessibility for families and youth and in the prioritization of single adults due to their prevalence in the chronic homelessness population. The ability of local governments and aid organizations to help homeless families and youth was therefore severely constrained, as HEARTH funding was dependent on adoption of and compliance with these definitions, distinctions, and priorities.

These definitions are also problematic because they continue the policy tradition of placing the burden of homelessness on individual or family deficits rather than acknowledging

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[650] U.S. CENSUS BUREAU, *Current Population Survey, Annual Social and Economic Supplements,* Table 2, *Poverty Status of People by Family Relationship, Race, and Hispanic Origin: 1959 to 2024* (2025), https://www2.census.gov/programs-surveys/cps/tables/time-series/historical-poverty-people/hstpov2.xlsx (last visited Nov. 29, 2025).

[651] Numerous sources establish a history of high rates of employment among unhoused people. *See, e.g.*, Maureen Sarver, *Why Is It So Hard for People Experiencing Homelessness to "Just Go Get a Job?"*, Urb. Wire (Nov. 3, 2023), https://www.urban.org/urban-wire/why-it-so-hard-people-experiencing-homelessness-just-go-get-job; w28861.pdf; Bruce D. Meyer et al., *Learning About Homelessness Using Linked Survey and Administrative Data* (Nat'l Bureau of Econ. Rsch., Working Paper No. 28861, 2021), https://www.nber.org/papers/w28861; *Employment alone isn't enough to solve homelessness, study suggests: New findings could offer better data for policymakers seeking to fix social safety net*, UCHICAGO NEWS (June 29, 2021), https://news.uchicago.edu/story/employment-alone-isnt-enough-solve-homelessness-study-suggests. This phenomenon of employed homelessness persists today. *See, e.g.*, BRIAN GOLDSTONE, THERE IS NO PLACE FOR US: WORKING AND HOMELESS IN AMERICA (2025).

[652] The National Center for Homeless Education releases school-year data on U.S. students experiencing homelessness showing such increases. See, e.g., *Data and Statistics on Homelessness*, NAT'L CTR. FOR HOMELESS EDUCATION (2023), https://nche.ed.gov/data-and-stats/.

[653] Lucinda Richards, *The Homeless Emergency Assistance and Rapid Transition to Housing Act: A Policy Analysis* 3, 26 (May 2019) (Master of Social Work thesis, School of Social Work California State University, Long Beach) (ProQuest), https://www.proquest.com/openview/f4d66fb5e0460a3bead1bde1350fe8b1/1?pq-origsite=gscholar&cbl=18750&diss=y.

systemic failures in the housing markets and social safety nets.[654] The characterization of homelessness to include unaccompanied youth, survivors of domestic violence, and chronically homeless individuals with disabling conditions, frames homelessness as a consequence of personal deficit and dysfunction, rather than a deeply unequal and structurally deficient system.[655] As a result, federal interventions tend to target symptoms of homelessness rather than the structural root causes, such as insufficient affordable housing stock, discriminatory practices, and labor market insecurity.[656]

HPRP was a slight shift away from prioritizing individual deficits and attempted to address structural problems, as evident through the policy's focus on homelessness prevention resulting from the subprime mortgage crisis.[657] Yet the program and funding were not long-term, and only partially addressed structural problems, as stringent eligibility criteria and sustainability screens still excluded many households from support.[658] Still, HPRP can be considered a story of relative success, having reduced housing instability during its active years. Across multiple states, on average, 70 percent of rapid re-housing participants exited to permanent housing, far outperforming emergency shelters (16 percent) and transitional housing programs (42 percent).[659] A study calculating the effect of HPRP found that school districts located in counties that received HPRP funds experienced an 8–12 percent reduction in student homelessness during the program's operation, though the effect dissipated soon after the program ended.[660] Prevention efforts like HPRP remain an exception and are time-limited, illustrating how federal investment prioritizes crisis response instead of addressing systemic root causes. The policy demonstrated both the potential and the fragility of

Prevention efforts like HPRP remain an exception and are time-limited.

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[654] Reuben Addo & Paula Gerstenblatt, *Housing First: A Policy Analysis of the Hearth Act* 2 J. OF POL'Y PRAC. & RSCH. 90, 96–97 (2021), https://doi.org/10.1007/s42972-021-00025-2.

[655] LIBBY PERL, CONG. RSCH. SERV., RL33765, THE HUD HOMELESS ASSISTANCE PROGRAMS AUTHORIZED BY THE HEARTH ACT 3–6 (2017), https://www.congress.gov/crs-product/RL33764.

[656] Reuben Addo & Paula Gerstenblatt, *Housing First: A Policy Analysis of the Hearth Act* 2 J. OF POL'Y PRAC. & RSCH. 90, 96–97 (2021), https://doi.org/10.1007/s42972-021-00025-2; Richards 2019, pp. 8, 37–38.

[657] MARY CUNNINGHAM, MARTHA R. BURT & MOLLY SCOTT, HOMELESSNESS PREVENTION STUDY: PREVENTION PROGRAMS FUNDED BY THE HOMELESSNESS PREVENTION AND RAPID RE-HOUSING PROGRAM (U.S. Dep't of Hous. & Urb. Dev., Office of Pol'y Dev. & Rsch.; Urb. Inst.; Abt Assocs.; Cloudburst Consulting Grp. 2015), https://www.huduser.gov/portal/sites/default/files/pdf/HPRP-report.pdf.

[658] MARY CUNNINGHAM, MARTHA R. BURT & MOLLY SCOTT, HOMELESSNESS PREVENTION STUDY: PREVENTION PROGRAMS FUNDED BY THE HOMELESSNESS PREVENTION AND RAPID RE-HOUSING PROGRAM 41–42, 62, 65 (U.S. Dep't of Hous. & Urb. Dev., Office of Pol'y Dev. & Rsch.; Urb. Inst.; Abt Assocs.; Cloudburst Consulting Grp. 2015), https://www.huduser.gov/portal/sites/default/files/pdf/HPRP-report.pdf.

[659] NAT'L ALL. TO END HOMELESSNESS, RAPID RE-HOUSING: A HISTORY AND CORE COMPONENTS (Apr. 22, 2014), https://endhomelessness.org/resources/policy-information/rapid-re-housing-a-history-and-core-components/; MARY CUNNINGHAM , MARTHA R. BURT & MOLLY SCOTT, HOMELESSNESS PREVENTION STUDY: PREVENTION PROGRAMS FUNDED BY THE HOMELESSNESS PREVENTION AND RAPID RE-HOUSING PROGRAM (U.S. Dep't of Hous. & Urb. Dev., Office of Pol'y Dev. & Rsch.; Urb. Inst.; Abt Assocs.; Cloudburst Consulting Grp. 2015), https://www.huduser.gov/portal/sites/default/files/pdf/HPRP-report.pdf.

[660] Gabriel Piña & Maureen Pirog, *The Impact of Homeless Prevention on Residential Instability: Evidence From the Homelessness Prevention and Rapid Re-Housing Program* 29 HOUS. POL'Y DEBATE 501 (2018), https://doi.org/10.1080/10511482.2018.1532448.

prevention policies in the U.S. The partial success of HPRP illuminates the need to prioritize prevention strategies, which serve as a foundation for structural reform.

While the HEARTH Act attempted to incorporate prevention ideology through Rapid Re-Housing into the Emergency Solutions Grants program and supported Permanent Supportive Housing, it did not institutionalize prevention as a central pillar of federal homelessness policy. By keeping most CoC funds restricted to emergency shelter and long-term supportive housing, HEARTH reinforced a system oriented toward managing visible homelessness rather than addressing the structural drivers of housing instability, such as inadequate affordable housing supply.[661] At the delivery level, CoCs often found themselves trapped in resource constraints: the competitive nature of HUD grants incentivized performance on immediate outputs (e.g., reducing street homelessness, allocating permanent supportive housing) but discouraged investments in prevention and structural reform.[662] Many CoCs fell into "capability traps," emphasizing reactive emergency services rather than long-term prevention strategies, in part because CoC funds are statutorily limited in how they may be used for prevention.[663] The result is a federal system that channels resources into downstream responses while leaving the root causes of housing insecurity largely unaddressed.

Competitive CoC scoring, performance incentives, and mandated prioritization turned these distinctions into zero-sum games.

B. Federal programs created unnecessary competition among the lower class

Not only did these initiatives fail to address the root cause of homelessness, they were also structured to create competition between target populations by fragmenting groups into "more" or "less" deserving classifications and creating a scarcity mindset.[664] With HEARTH's broadened definition, the additional categories and sub-categories, coupled with only limited expansion of resources, created an "us-versus-them" narrative, that deemed certain groups more worthy of attention.[665] Competitive CoC scoring, performance incentives, and mandated

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[661] LIBBY PERL, CONG. RSCH. SERV., RL33765, THE HUD HOMELESS ASSISTANCE PROGRAMS AUTHORIZED BY THE HEARTH ACT 3–4 (2017), https://www.congress.gov/crs-product/RL33764; Patrick J. Fowler et. al., *Capability Traps Impeding Homeless Services: A Community-Based System Dynamics Evaluation. Evaluation and Program Planning*, 45 J. Soc. Serv. Rsch. 348–59 (2018), 10.1080/01488376.2018.1480560.

[662] Patrick J. Fowler et. al., *Capability Traps Impeding Homeless Services: A Community-Based System Dynamics Evaluation. Evaluation and Program Planning*, 45 J. Soc. Serv. Rsch. 348–59 (2018), 10.1080/01488376.2018.1480560.

[663] Patrick J. Fowler et. al., *Capability Traps Impeding Homeless Services: A Community-Based System Dynamics Evaluation. Evaluation and Program Planning*, 45 J. Soc. Serv. Rsch. 348–59 (2018), 10.1080/01488376.2018.1480560.

[664] Simone Zhang & Rebecca A. Johnson, *Hierarchies in the Decentralized Welfare State: Prioritization in the Housing Choice Voucher Program* 88 AM. SOCIO. REV. 114, 117, 122 (2023), https://doi.org/10.1177/00031224221147899.

[665] Nathalie Rita, Philip M.E. Garboden, & Jennifer Darrah-Okike, *"You Have to Prove that You're Homeless": Vulnerability and Gatekeeping in Public Housing Prioritization Policies* 22 City & Community 83–104 (2023), https://doi.org/10.1177/15356841221129791.

prioritization systems turned these distinctions into zero-sum situations, where different groups were forced to compete for attention, housing placements, and funding.[666]

Competition was further exacerbated by the "Housing First" ideology adopted by HEARTH. Housing First marked an important shift by treating housing as a social right and delinking access from preconditions such as sobriety or treatment compliance. But its implementation remained tethered to narrow categories, especially those defined as "chronically homeless," thus reproducing scarcity logics by prioritizing some groups over others.[667] Housing First, as implemented, narrowed the problem to visible, cost-offsetting fixes, and left structural barriers largely unaddressed—specifically, market-driven housing scarcity, poverty, and weak social protections.[668] In the end, this competition for limited, surface-level fixes diverted attention and resources away from the structural reforms needed to address homelessness at its roots. Yet again ensuring that visibility, rather than systemic change, remained the federal government's primary metric of success.

Data and tracking mechanisms under HEARTH further entrenched scarcity logic by rendering some populations statistically invisible or less worthy of aid. PIT counts, for example, systematically undercounted the "hidden homeless," including rural residents, people temporarily doubled up with friends or family, and people exchanging sex for shelter, thereby narrowing the official scope of the crisis.[669] At the same time, HMIS became central to CoC prioritization, channeling resources toward categories like the "chronically homeless" while sidelining others, reinforcing hierarchies of deservingness.[670] Similar issues arose in HPRP, where eligibility rules and reporting practices screened out those deemed "too needy" to succeed with short-term aid, leaving the most vulnerable both underserved and further stigmatized as high risk.[671] Together, these data systems and eligibility frameworks institutionalized a hierarchy of visibility that shaped not only who received assistance but also how success was defined. This emphasis on tracking and prioritizing the most visible forms of homelessness set the stage for local initiatives like San Francisco's CHI, where similar logic of measurement and competition constrained progress, despite significant innovation and investment.

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[666] LIBBY PERL, CONG. RSCH. SERV., RL33765, THE HUD HOMELESS ASSISTANCE PROGRAMS AUTHORIZED BY THE HEARTH ACT 16–17, 20 (2017), https://www.congress.gov/crs-product/RL33764; Addo & Gerstenblatt 2021, 94, 97; Zhang, S., & Johnson, R. A. (2023).117,122

[667] LIBBY PERL, CONG. RSCH. SERV., RL33765, THE HUD HOMELESS ASSISTANCE PROGRAMS AUTHORIZED BY THE HEARTH ACT 16–17 (2017), https://www.congress.gov/crs-product/RL33764; Addo & Gerstenblatt 2021, pp. 94–95, p. 98

[668] Victoria Stanhope & Kerry Dunn, *The curious case of Housing First: the limits of evidence based policy*, 34 INT'L. J. OF L. PSYCHIATRY 275, 279–81 (2011), https://doi.org/10.1016/j.ijlp.2011.07.006.

[669] Reuben Addo & Paula Gerstenblatt, *Housing First: A Policy Analysis of the Hearth Act* 2 J. OF POL'Y PRAC. & RSCH. 90, 92 (2021), https://doi.org/10.1007/s42972-021-00025-2.

[670] LIBBY PERL, CONG. RSCH. SERV., RL33765, THE HUD HOMELESS ASSISTANCE PROGRAMS AUTHORIZED BY THE HEARTH ACT 12–13 (2017), https://www.congress.gov/crs-product/RL33764.

[671] MARY CUNNINGHAM, MARTHA R. BURT & MOLLY SCOTT, HOMELESSNESS PREVENTION STUDY: PREVENTION PROGRAMS FUNDED BY THE HOMELESSNESS PREVENTION AND RAPID RE-HOUSING PROGRAM xvii, 41–42, 62 (U.S. Dep't of Hous. & Urb. Dev., Office of Pol'y Dev. & Rsch.; Urb. Inst.; Abt Assocs.; Cloudburst Consulting Grp. 2015), https://www.huduser.gov/portal/sites/default/files/pdf/HPRP-report.pdf.

C. Local programs cannot solve national structural problems

A similar pattern can be observed in the outcomes of the CHI. By documenting assessments, referrals, and placements in HMIS, "coordinated entry"[672] was intended to make priority placement decisions for PSH transparent and auditable at the system level.[673] Taken together, CHI rapidly scaled PSH capacity and demonstrably increased placements, yet could not keep pace with the rate of incoming newly homeless individuals seeking services. This illustrates how a prioritization model focused on the most visible subgroup can deliver measurable outputs without resolving the broader structural shortage of affordable housing.[674] While CHI proved that San Francisco could quickly scale permanent supportive housing and dramatically increase placements, it also reinforced a scarcity mindset and the political myth of a "fixed pie" of resources; in other words, the notion that helping one group must come at the expense of another.[675] By channeling funds almost exclusively to those meeting HUD's chronic-homeless definition, the initiative prioritized the most visible subgroup and left broader affordability and prevention strategies underfunded.[676] This narrow focus overlooked the structural reforms needed, such as large-scale affordable housing development and universal rental support.

This fictional "scarcity mindset" forced advocates and cities to fight over too little instead of demanding more.

IV. LEGAL AND ADVOCACY IMPLICATIONS FOR THE NEXT ERA

The 1980s and 1990s ushered in a new era of public and political sentiment toward people experiencing poverty and homelessness, reframing poverty as a personal failure and embedding punitive logic into social policy. This resulted in drastic divestment from social safety net programs and changes to public housing programs, leading to a rise in homelessness.

In the 2000s, the federal government spent billions rescuing banks and corporations while telling the public that homelessness programs could not be fully funded. This fictional

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[672] U.S. DEP'T OF HOUS. & URB. DEV., NOTICE ESTABLISHING ADDITIONAL REQUIREMENTS FOR A CONTINUUM OF CARE CENTRALIZED OR COORDINATED ASSESSMENT SYSTEM (Notice CPD-17-01, Jan. 23, 2017), (explaining that "coordinated entry" is the term applied to the U.S. Department of Housing and Urban Development's requirements for each organization (Continuum of Care, or CoC) that receives federal funds to address homelessness to "establish and operate a 'centralized or coordinated assessment system' . . . with the goal of increasing the efficiency of local crisis response systems and improving fairness and ease of access to resources . . . ."), https://www.hud.gov/sites/documents/17-01cpdn.pdf.

[673] U.S. DEP'T. OF HOUS. & URB. DEV., FY 2024 HMIS DATA STANDARDS MANUAL 109–11 (2025), https://files.hudexchange.info/resources/documents/HMIS-Data-Standards-Manual-2024.pdf.

[674] SAMANTHA BATKO ET AL., URB. INST., EVALUATION OF TIPPING POINT COMMUNITY'S CHRONIC HOMELESSNESS INITIATIVE: FINAL REPORT vi–vii, xvii (2024), https://www.urban.org/sites/default/files/2024-03/Evaluation_of_Tipping_Point_Communitys_CHI.pdf.

[675] SAMANTHA BATKO ET AL., URB. INST., EVALUATION OF TIPPING POINT COMMUNITY'S CHRONIC HOMELESSNESS INITIATIVE: FINAL REPORT vi–vii, xvii (2024), https://www.urban.org/sites/default/files/2024-03/Evaluation_of_Tipping_Point_Communitys_CHI.pdf.

[676] SAMANTHA BATKO ET AL., URB. INST., EVALUATION OF TIPPING POINT COMMUNITY'S CHRONIC HOMELESSNESS INITIATIVE: FINAL REPORT vi–vii, xvii (2024), https://www.urban.org/sites/default/files/2024-03/Evaluation_of_Tipping_Point_Communitys_CHI.pdf.

"scarcity mindset" shaped how advocates and cities thought about solutions, always fighting over too little instead of demanding more. Homelessness is not caused by a lack of money or ideas; instead, it is caused by political choices about what and who gets funded. Until policymakers and the public reject the myth of scarcity and treat housing as a right, public policies will continue to fail to end homelessness.

Although public debate often frames homelessness policy as a competition for scarce federal dollars, the federal budget is not a fixed pie. The U.S. can and routinely does finance priorities through debt issuance and long-term appropriations when the political will exists, from military spending to large-scale financial bailouts. The question, therefore, is not whether money is available, but what federal policymakers choose to fund.

This distinction matters for housing and homelessness policy in the early 2000s. Even as Presidents Bush and later Obama publicly committed to "ending chronic homelessness," their budgets repeatedly proposed cuts to core housing programs such as Section 8 vouchers while channeling resources toward other national priorities. Policies purportedly intended to address the financial and housing crisis did little to prevent more foreclosures or reduce the resulting homelessness exacerbated by predatory mortgages and recession woes. Banks and the institutions that caused the crisis received about $250 billion in bailouts from Obama's TARP, while individuals and families received less than 18.5% of that total amount through relief programs. This contrast illustrates that federal spending levels reflect political preference, not economic necessity.

By emphasizing chronic homelessness—the most visible form of poverty—federal policy created the appearance of decisive action while avoiding the more expensive and politically challenging goal of guaranteeing housing as a right and ensuring its implementation. This prioritization, reinforced through HUD's CoC and HMIS funding structures, demonstrates political choices about visibility, rather than any budgetary constraints, drives federal allocations.

Despite new homelessness and housing-related programs launched and funded during the 2000s, these programs did little to compensate for the funding cuts and disinvestment in addressing homelessness in the preceding decades. For example, in 1981, income-support programs totaled $294.8 billion, approximately half of the federal government budget at the time.[677] Throughout the 1980s, the federal budget for subsidized housing declined by $24 billion.[678] In 1988, $50 billion in funding was essentially transferred out of HUD programs into mortgage tax reductions.[679] PRWORA resulted in cuts totaling $55 billion to low income

[677] Eugene Smolensky, *Poverty in the United States: Where Do We Stand?*, 5 FOCUS 1, 2 (1981–1982), https://www.irp.wisc.edu/publications/focus/pdfs/foc52.pdf.
[678] MARTHA R. BURT, OVER THE EDGE: THE GROWTH OF HOMELESSNESS IN THE 1980S 49 (Russell Sage Found., 1992), http://www.jstor.org/stable/10.7758/978161044.
[679] Beth A. Rubin, James D. Wright & Joel A. Devine, *Unhousing the Urban Poor: The Reagan Legacy*, 19 J. SOCIO. & SOC. WELFARE 111, 136 (1992).

programs over six years.[680] HOPE VI included an original allocation of $60 million which declined over time, along with federal funding match amounts allowed under the program.[681]

Underfunding solutions to homelessness and focusing solely on removing or displacing the most visible aspects will not solve the problem. This flawed approach rests on the false assumption that our economic system operates as a pure meritocracy where one's success is only a function of hard work. It's much easier for politicians to blame individuals and preach pulling oneself up "by the bootstraps" rather than address large systemic and economic failures. The danger of this line of reasoning is that it perpetuates policies doomed to fail, or worse, encourages punitive measures and human rights abuses.

The decades of the 1980s and 1990s significantly set back the national conversation on the root causes and solutions of homelessness by framing the issue as a matter of personal failure, often demonizing recipients as "welfare queens", and suggesting the government should pass the buck to religious and nonprofit organizations. This rhetoric justified the abdication of government responsibility to protect the most vulnerable from the harms of poor policy choices and inevitable predation of unregulated capitalism. In fact, the real moral choice here is not an individual one, but rather a matter of collective responsibility.

The real moral choice here is not an individual one, but rather a matter of collective responsibility.

V. CONCLUSION

The programs introduced in the 2000s demonstrate the deep entrenchment within the federal government in the fallacy that there is a fixed pie of resources, and some people—or corporations—are deserving of support, while others are not. As long as society continues to accept this notion, the fundamental right of every person to survive through access to housing and basic resources will remain out of reach. To end homelessness, the federal government must restore the social infrastructure it dismantled at the end of the last century, beginning with a renewed commitment to affordable, accessible housing for all.

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[680] DAVID A. SUPER ET AL., CTR. ON BUDGET & POL'Y PRIORITIES, *The New Welfare Law - Summary* (Aug. 13, 1996), https://www.cbpp.org/sites/default/files/archive/WCNSUM.HTM.

[681] Danielle Pelfrey Duryea, *Gendering the Gentrification of Public Housing: HOPE VI's Disparate Impact on Lowest-Income African American Women* 13 GEO. J. POVERTY L. & POL'Y 567, 572 (2006), https://digitalcommons.law.buffalo.edu/journal_articles/633/.

Chapter 5 – Applying Historical Lessons to Today's Resistance

Steady withdrawal and privatization have defined the federal government's approach to poverty and homelessness since the 1980s. For years, policymakers have deliberately reframed homelessness as an individual failure rather than the logical result of government disinvestment, leading to a false scarcity mindset that restricts help only to those deemed most "deserving" of support. This distorted view of individual- versus government-level responsibility for widespread poverty fuels paternalistic and punitive measures targeting vulnerable communities, including efforts to criminalize all but the very existence of people experiencing homelessness. As officials abdicate their core responsibilities and seek to shift blame, they strategically manipulate data and public information to evade accountability and obscure the harmful consequences of their actions.

This concluding chapter begins by **summarizing and interpreting historical lessons from** four decades of policymaking. It first delves into four thematic areas:

I. Federal disinvestment, withdrawal, and privatization
II. Political framing of homelessness as an individual failure
III. Paternalistic and punitive governance mechanisms
IV. Data manipulation and evading accountability

The next section **identifies who is harmed and who benefits from these policy choices**, revealing the distributive consequences of federal retreat and punitive governance. The subsequent section **connects these insights to recent federal actions** that perpetuate many of the patterns highlighted in this report and **presents alternative approaches to policy-making** that, if properly funded, would reduce homelessness and poverty. **This report concludes with a clear reminder**: rejecting punishment and divestment is both possible and necessary, and rebuilding will require sustained public investment, structural accountability, and a recommitment to the dignity and rights of all people.

I. FEDERAL DISINVESTMENT, WITHDRAWAL, AND PRIVATIZATION

Across more than four decades of government policy and practice, a deliberate political shift toward austerity and neoliberalism robbed the most vulnerable Americans of the help they needed to survive and avoid homelessness. Government-manufactured failures were routinely used by politicians in both parties to court "free market" solutions to public policy problems. Elected officials and their allies popularized a false scarcity mindset, claiming that the government lacked funding for effective social programs while somehow consistently finding the resources to support military expansion and corporate tax breaks. The result was a profound federal retreat from providing essential social services.

The 1980s under President Reagan heralded the beginning of a multigenerational campaign to demolish the existing welfare state. His first term implemented deep cuts to the social safety net and housing programs (e.g., OBRA-81), leading to drastic declines in social

welfare supports and a worsening shortage of affordable housing. Reagan advanced the ill-founded premise that private markets would meet basic human needs. In reality, landlords had few incentives to rent to the poorest households, Section 8 housing vouchers had little purchasing power, and stagnant wages diminished working class families' abilities to obtain affordable shelter. This combination of factors left many Americans (quite literally) out in the cold.

Privatization and federal withdrawal continued —and perhaps even accelerated— in the '90s under Presidents H.W. Bush and Clinton. The HOPE VI housing redevelopment program, launched in 1992, signaled a strategic choice to rely on private-market developers rather than reinvest in public housing. When awarding HOPE VI grants, HUD prioritized local housing authorities who demonstrated "entrepreneurialism" in courting private investors or property management companies who would partner with them on mixed-income housing projects. These new public-private partnerships resulted in reduced funding and diminished regulatory oversight for deeply affordable housing unit production.

Beyond housing, the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996 gutted access to social services, eliminating the entitlement-based Aid to Families with Dependent Children (AFDC) program and creating the Temporary Assistance for Needy Families (TANF) block grant system. Responsibility shifted from the federal government to states —many of which set their benefit levels far below the federal poverty line. Thousands were immediately disqualified, and the value of daily benefits eroded. This structural redesign reduced federal support, increased fiscal pressure on states, and deepened social instability.

Federal withdrawal persisted into the 2000s as policymakers struggled to respond to the consequences of earlier decisions. Reinvestment efforts were underfunded and constrained by bureaucratic barriers. In practice, federal officials continued to offload responsibility onto private and community-based organizations—most notably under President George W. Bush, who promoted faith-based initiatives as substitutes for comprehensive federal programs despite their limited resources and authority. These historical patterns demonstrate how disinvestment and privatization entrenches structural poverty and housing precarity, laying the foundation for today's homelessness crisis.

II. POLITICAL FRAMING OF HOMELESSNESS AS AN INDIVIDUAL FAILURE

As the federal government systematically withdrew from its responsibility to ensure basic well-being, it deployed rhetorical strategies that reframed poverty as a matter of individual choice rather than structural abandonment. This shift, rooted in neoliberal ideology, enabled policymakers to justify shrinking assistance programs while casting blame onto the people most harmed by those decisions. The success of pro-market propaganda allowed elected officials to legitimize the concept that the government had scarce resources that vulnerable communities must compete over. These two ill-founded ideas resulted in something more insidious: a belief that only the most "deserving" of households should be afforded any help, while others just need to work harder to pull themselves out of destitution.

Prior to the 1980s, social welfare gains for most low-income households were largely made possible through broad federal commitments. Despite this reality, President Reagan leveraged public concern about the cost of social programs to advance a dramatically scaled back approach emphasizing "personal responsibility," free market solutions, and reduced government intervention. He repeatedly characterized poverty as a personal failure—a "choice"—and promoted the racist and sexist "welfare queen" trope as evidence that individuals were exploiting government aid rather than facing systemic barriers.

This narrative gained further momentum in the 1990s. President Clinton campaigned on a promise to "end welfare as we know it," and his administration argued that social assistance needed to be tied to "traditional values" such as hard work and family structure. Their efforts were ultimately successful. Policymakers eliminated the entitlement-based AFDC program and replaced it with TANF, which imposed new work requirements and punitive sanctions for noncompliance. TANF also introduced a deservingness framework tying federal assistance to compliance instead of genuine need, solidifying a "deserving" hierarchy that endures today.

Following the 2008 financial crisis, Congress authorized $475 billion in relief under the Troubled Asset Relief Program (TARP), with only 18.5 percent of the funds going to support individuals and families. The bulk flowed to financial institutions, reflecting a policy orientation that prioritized rescuing markets over stabilizing households. The Making Homes Affordable (MHA) program represented one of the largest efforts to help at-risk homeowners, but, in line with the governmental philosophy to rescue the market over individuals, most funds went to large financial institutions instead. This process also helped to steel the narrative that individuals — not structurally engineered economic collapse— were responsible for their housing instability.

In 2009, the Homelessness Prevention and Rapid Re-Housing Program (HPRP) represented a significant federal investment but was undermined by its own scarcity-driven logic. The program required households to prove both that they were "at risk" of homelessness and "capable of self-sufficiency," creating a self-defeating eligibility structure that severely constricted the number of families who were eligible for benefits. Yet again, this policy design reflected the federal government's false scarcity mindset by rationing help for the people who were ostensibly "most likely to succeed" instead of those "most in need."

Similarly, the HEARTH Act consolidated federal homelessness programs into a single competitive Continuum of Care structure, forcing local jurisdictions and nonprofits to compete against one another for limited funds. This design reinforced the myth of scarcity and shifted local responses toward short-term, competitive, performance-oriented strategies rather than long-term structural investments. This outcome further entrenched a false sense of scarcity as jurisdictions battled over artificially constrained federal funds.

Taken together, these historical developments illustrate how political rhetoric and policymaking constructed a damaging and false narrative: that homelessness results from personal failings rather than from decades of federal disinvestment, the erosion of worker protections, and the systematic shrinking of the social safety net. This narrative persists today.

III. PUNITIVE GOVERNANCE AND PATERNALISM

By framing poverty as an individual failure, the federal government justified the implementation of increasingly punitive governance measures. Jurisdictions packaged harmful and paternalistic policies as compassionate interventions, reframing coercive strategies as benevolent assistance. Meanwhile, caricatures such as the "welfare queen" and the "illegal immigrant" were aggressively racialized and cast as undeserving of public support. The hyperfocus on individualism enabled policymakers to demonize people living in poverty and to portray individuals experiencing homelessness as authors of their own misfortune. Scapegoating the poor paved the way for governments to criminalize and punitively govern homelessness and poverty. Moreover, both subtly and overtly, the rhetoric throughout the eras advanced the systemic marginalization of communities of color.

Reagan's focus on "emancipating" the poor from their dependency on public benefits carried forth into the 1990s. Clinton governed on the same underlying theory that welfare punishes its intended beneficiaries by isolating them from the economy rather than encouraging work. His paternalistic rhetoric was reflected in policy. In the 1980s, the administration barred jurisdictions from spending federal dollars on shelter repairs; policymakers feared that updated and comfortable shelters would encourage people to remain dependent on government aid. In the 1990s, the federal government conditioned aid on strict time limits on benefits and imposed sanctions for failure to comply with work participation rules. At the same time, One Strike policies led to increased evictions, which disproportionately harmed people of color.

Hope VI maintained paternalistic approaches. The policy targeted mixed-income neighborhoods to combat the "culture of poverty" and to purportedly provide role models to empower lower-income individuals. The program also required criminal background checks as a prerequisite to housing, a punitive rather than evidence-based policy. After the mortgage crisis in the 2000s, federal aid programs had limited reach due in part to strict rules on late payments, and requirements that recipients continuously prove they are worthy of assistance by demonstrating self-sufficiency, reinforcing the same paternalistic logic rather than addressing structural need.

Paternalism and a misplaced focus on individual choice framed homelessness as a personal failure, leading to the marginalization and abandonment of minorities and people living in poverty. This framing enabled the federal government to distance itself from accountability, providing political cover for decades of disinvestment. Importantly, the framing also justified and accelerated the criminalization of poverty by casting it as a moral deficiency, thereby encouraging punitive control, surveillance, and increased policing.

IV. DATA MANIPULATION AND EVADING ACCOUNTABILITY

Due to the government's failure to collect and organize data on homelessness, it is difficult to discern the true impact of the punitive and divestment policies of the last four decades. Governments obscured, eliminated, and in some cases, never collected data. This

manipulation masked the inefficiency of programs and hid the true depth of the homelessness crisis behind misleading numbers.

In the 1980s, researchers focused on the effects of deinstitutionalization, while HUD budget numbers hid the administration's actual expenditures on affordable housing. Rental vacancy rates failed to reflect the reality that available housing was uninhabitable or priced beyond the reach of the lowest-income renters. Furthermore, the reported increase in bed numbers at emergency shelters allowed the Reagan administration to claim progress while purposefully ignoring the root causes of homelessness. By failing to paint a clear picture of the magnitude and drivers of the problem, data manipulation facilitated the normalization of homelessness that was indicative of this era.

In the 1990s, a clear discrepancy emerged between formal state evaluations of homelessness following welfare reform and the experiences reported by frontline emergency service providers, who saw a marked increase in people seeking shelter and assistance. These contradictions were directly traceable to HUD's refusal to maintain accurate and comprehensive data.

Similarly, the true impact of HOPE VI on the availability of affordable housing was obscured by shifting benchmarks and "institutional forgetfulness" regarding the program's original intent. Inaccurate or selectively presented data masked the program's failures, enabling policymakers to celebrate superficial indicators of success while ignoring widespread displacement and the long-term harm to affected communities.

Data from the 2000s further highlighted the extreme unreliability of Point-in-Time (PIT) counts, which vastly underestimate the scope of homelessness. Federal reporting focused almost exclusively on visible, street-level homelessness as a proxy for progress, while Department of Education data revealed a far larger and more complex crisis, particularly for families and youth. These gaps rendered large segments of the homeless population statistically invisible and, by extension, erased from public understanding and policy priorities concerning who deserves assistance.

Exposing this pattern of data manipulation is crucial to understanding the harm caused by these policies. The neoliberal conviction that market forces yield effective solutions persists largely because it is reinforced by inaccurate data, which preserves the myth rather than challenging it. Flawed data collection methods minimized the scale and urgency of homelessness, shielding policymakers from accountability. In this way, data manipulation both reflected and reproduced a fundamental misunderstanding of homelessness—its lived realities and its structural determinants —facilitating the ongoing disinvestment that has perpetuated the homelessness crisis over time.

V. **WHO BENEFITS AND WHO LOSES?**

Over the last 40 years, the federal government has imposed policies *on* poor and homeless individuals, rather than implementing policies by or for them. Across administrations —from the dismantling of comprehensive care systems in the 1980s to the symbolic, under-

resourced initiatives of the 2000s— federal policies have prioritized political optics over meaningful progress toward ending homelessness. Low-income families, immigrants, people with disabilities, and people of color consistently suffer under these policies that proscribe their needs, while large industries and complexes profit off the moralization, criminalization, and inherent dysfunction of the homelessness crisis. This section explores who is harmed by these policies and who benefits from their passage.

The 1980s make clear who wins and loses under neoliberal policy design. From the beginning of the decade, the groups that suffered most were those already disadvantaged and oppressed: low-income families and children lost their cash assistance; people with disabilities were purged from their benefits and expected to enter a workforce that had already deemed them unemployable; low-income tenants were stripped of protections and pushed into an increasingly unaffordable and shrinking rental market; and Black people and people of color experienced disproportionate harm during the recession and the Reagan administration's racially-coded "recovery" policies. On a socio-political level, the Reagan administration demonized, villainized, and penalized racial minorities in ways that served to re-entrench white supremacy and white cultural norms as the version of a "strong" America. The Reagan administration's free-market-oriented policies squeezed many middle-class households: as wages stagnated and housing became more expensive, fewer families were able to purchase homes, locking them into a competitive rental market. State governments lost federal funding and took on more administrative duties. Simultaneously, charities and churches took on more of the burden of community care with fewer resources. HUD's budget, along with many others, was drastically cut.

On the other end of the spectrum, comparatively few institutions or individuals benefited. The military received increased spending and attention from the Reagan administration. Homeowners continued to receive their mortgage interest tax deductions, and those receiving retirement benefits or Medicare continued those services. The housing policies benefited, to an extent, landlords who were freed from the obligation to rent affordable units and were left to their own devices to maximize profits.

These 1980s norms carried into the 1990s, where policy decisions continued to cut benefits as federal policymakers again embraced austerity and punitive conditionality**.** SSI experienced further cuts, harming people with disabilities. AFDC, which underwent massive funding cuts in the 1980s, was eliminated and replaced by TANF. The switch to this competitive block grant harmed low-income families, especially single mothers and women of color. The shift to block grants also harmed states, leaving them more vulnerable in periods of economic downturn. Immigrants were especially harmed during the 1990s, losing access to essential programs, while work requirements came without **education or skill-building supports**, making compliance nearly impossible. The "One-Strike" policy, an outgrowth of the 1990s War on Drugs, demonstrated a clear pattern of harm towards people of color, disproportionately displacing Black and Brown households. BIPOC individuals were more likely to be poor and more likely to be swept into the criminal-legal system because of racialized enforcement. The One-Strike rule pushed many people of color into homelessness, leaving them vulnerable to

further criminalization. At the same time, the prison-industrial complex expanded its funding, reach, and political legitimacy at the direct expense of marginalized communities.

Despite some well-intended efforts in the 2000s, federal policy again shifted responsibility to state governments, charities, and churches, assigning them more work with fewer resources. Competitive grants forced local governments and service providers to prioritize short-term, metric-driven outputs over long-term, structural solutions, harming both providers and the many people excluded from the federal definition of homelessness. Narrow definitional choices erased the reality of families and children in doubled-up or unstable housing, precluding them from essential services. This fixation on "visible" homelessness offered political performance without structural progress.

Meanwhile, in the wake of the subprime mortgage crisis, the banking, financial, and auto industries received massive federal bailouts, while the individuals who lost homes — disproportionately low-income and people of color— received minimal support. These patterns replicate distributional harms practiced across previous decades: wealth and corporate interests protected, marginalized communities systemically weakened.

VI. **CURRENT ERA**

Many of the same harmful policy patterns of the last forty years are reemerging under the second Trump administration, but at a scale, pace, and scope that dramatically escalates the risks for people experiencing poverty and homelessness. The following major policy shifts, already underway, should raise urgent alarm.

A. **Disinvestment and Privatization**

With the passage of the One Big Beautiful Bill Act (OBBB) and other policies, the Trump administration and Congress are replicating many of the Reagan administration's strategies from the 1980s. They have drastically cut funding for HUD, health care, food stamps, and disability benefits. At the same time, they retained or expanded subsidies and exemptions for private industries.[682]

Further echoing the policies of the 1990s, the current administration is imposing significant cuts and attached expanded work requirements to TANF and SNAP benefits; the work requirements now include older adults, adults with children aged 14 and up, veterans, and homeless people. Additionally, OBBB revoked SNAP eligibility from refugees and asylum seekers entirely.[683] The Congressional Budget Office estimates that millions of people will lose

[682] Examples include the Low Income Housing Tax Credits and Opportunity Zone exemption credits. Kennedy Andara, Corey Husak, & Sara Patridge, *The Implementation Timeline of the One Big Beautiful Bill Act*, AMERICAN PROGRESS (July 29, 2025), https://www.americanprogress.org/article/the-implementation-timeline-of-the-one-big-beautiful-bill-act/ (for tax credit); *Research to Inform 2025 Reconciliation: Taxes, Safety Net, and Beyond*, URB. INST., https://www.urban.org/projects/research-inform-2025-reconciliation-taxes-safety-net-and-beyond/housing-and-opportunity (last visited Dec. 4, 2025) (opportunity zones).

[683] Mary Keatos*, SNAP is back, but millions of Americans could lose benefits due to new restrictions*, ABC NEWS, (November 18, 2025), https://abcnews.go.com/Health/snap-back-millions-americans-lose-benefits-due-new/story?id=127593186.

their benefits because of expanded work requirements and new eligibility standards.[684] In addition, OBBB changed the formula for calculating benefit amounts, effectively reducing the amount of support recipients receive.[685]

The Trump administration also continues to target people with disabilities, as it abruptly cut funding and support for the Supplemental Security Income/SSDI Outreach, Access, and Recovery program (SOAR).[686] SOAR helped adults and children with severe mental illness navigate the complicated and bureaucratic application process for federal disability benefits.[687] Even though SOAR only cost $2.6 million per year, it was effective in training caseworkers to help eligible individuals receive benefits, despite complications that arise when people do not have stable housing.[688] It reduced the fiscal and administrative burden on other federal, state, and local programs related to homelessness, emergency healthcare, and corrections.[689] Reminiscent of the Reagan years, this choice disproportionately harms poor and disabled individuals, especially given that SOAR costs relatively little.

History shows that these cuts and conditions are detrimental and costly: they place more people in vulnerable positions, further harm those who are already struggling, and take decades for society, individuals, and institutions to recover.

B. **Slashing Housing Access**

Despite the proven effectiveness of the Housing First model in reducing chronic homelessness, the Trump administration is taking deliberate steps to weaken it. The plans to defund HUD by about 44 percent run the risk of leaving over four million people without needed housing assistance, as the Trump administration proposes to consolidate five major programs, including Housing Choice Vouchers and Section 8 Vouchers, into one block grant for

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[684] CONG. BUDGET OFF., ESTIMATED EFFECTS OF PUBLIC LAW 119-21 ON PARTICIPATION AND BENEFITS UNDER THE SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM (Aug. 11, 2025), https://www.cbo.gov/system/files/2025-08/61367-SNAP.pdf.
[685] CONG. BUDGET OFF., ESTIMATED EFFECTS OF PUBLIC LAW 119-21 ON PARTICIPATION AND BENEFITS UNDER THE SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM (Aug. 11, 2025), https://www.cbo.gov/system/files/2025-08/61367-SNAP.pdf.
[686] Kathleen Romig & Devin O'Connor, *Trump Administration Abruptly Cut Off Highly Effective Support for Disabled People Experiencing Homelessness*, CTR. ON BUDGET & POL'Y PRIORITIES BLOG (Oct. 6, 2025, 2:52 PM), https://www.cbpp.org/blog/trump-administration-abruptly-cut-off-highly-effective-support-for-disabled-people.
[687] Kathleen Romig & Devin O'Connor, *Trump Administration Abruptly Cut Off Highly Effective Support for Disabled People Experiencing Homelessness*, CTR. ON BUDGET & POL'Y PRIORITIES BLOG (Oct. 6, 2025, 2:52 PM), https://www.cbpp.org/blog/trump-administration-abruptly-cut-off-highly-effective-support-for-disabled-people.
[688] Kathleen Romig & Devin O'Connor, *Trump Administration Abruptly Cut Off Highly Effective Support for Disabled People Experiencing Homelessness*, CTR. ON BUDGET & POL'Y PRIORITIES BLOG (Oct. 6, 2025, 2:52 PM), https://www.cbpp.org/blog/trump-administration-abruptly-cut-off-highly-effective-support-for-disabled-people.
[689] Kathleen Romig & Devin O'Connor, *Trump Administration Abruptly Cut Off Highly Effective Support for Disabled People Experiencing Homelessness*, CTR. ON BUDGET & POL'Y PRIORITIES BLOG (Oct. 6, 2025, 2:52 PM), https://www.cbpp.org/blog/trump-administration-abruptly-cut-off-highly-effective-support-for-disabled-people.

states.[690] These detrimental impacts would fall disproportionately on Black and Latino households, replicating patterns of harms seen over the course of the last 40 years.[691]

HUD is slashing the Continuum of Care (CoC) funding allocated to permanent housing, reducing it by over half.[692] In addition to the significant funding cuts planned for the CoC program, the administration is implementing new rules on how that funding may be used.[693] Currently, 87 percent of CoC funding goes to permanent housing programs, such as Permanent Supportive Housing and Rapid Rehousing. Under the new guidelines, communities receiving CoC funding will be able to spend 30 percent of the allocation on permanent housing programs.[694] These changes would place over 170,000 people at severe risk of losing their housing assistance and returning to homelessness.[695] Rather than continuing the 2000s style of investing in Housing First measures to relieve homelessness, the Trump administration is taking regressive, ineffective steps towards a "treatment-first" approach that conditions receipt of housing assistance on work and/or sobriety.[696] This is a deliberate shift away from programs like the housing-as-a-right orientation of HEARTH, and into a mindset that touts "accountability" and "self-sufficiency," echoing deleterious welfare reform throughout the 1980s and 1990s.

Despite popular rhetoric, the government *can* fix social problems. Some of the successful programs of the 2000s offered a glimpse into a possible future: housing programs were funded and coordinated. While these programs did not receive enough funding to make a large-scale impact and suffered under other preconceptions that limited their effectiveness, they illustrated how investing in the right solutions *can* improve social issues.

Yet instead of continuing to prioritize social funding and fair taxation, the federal government now champions "public-private partnerships," a euphemism that obscures a neoliberal, Reagan-esque reliance on private market applications to social problems**.**

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[690] Will Fischer & Erik Gartland, *Rental Assistance Time Limits Would Place More Than 3 Million People — Half of Them Children — at Risk of Eviction and Homelessness,* CTR. ON BUDGET AND POL'Y PRIORITIES (July 18, 2025) https://www.cbpp.org/research/housing/rental-assistance-time-limits-would-place-more-than-3-million-people-half-of-them.

[691] Will Fischer & Erik Gartland, *Rental Assistance Time Limits Would Place More Than 3 Million People — Half of Them Children — at Risk of Eviction and Homelessness,* CTR. ON BUDGET AND POL'Y PRIORITIES (July 18, 2025)

[692] Katherine Hapgood, *Trump administration policy change makes deep cuts to homeless permanent housing program*, POLITICO (Nov. 14, 2025 11:28 AM) *https://www.politico.com/news/2025/11/13/trump-cuts-homeless-housing-program-00650758.*

[693] *Trump Administration Releases CoC Funding Notice Drastically Cutting Funding for Permanent Housing and Putting 170,000 People At Risk of Homelessness,* NAT'L LOW INCOME HOUSING COAL. (Nov. 14, 2025), https://nlihc.org/resource/trump-administration-releases-coc-funding-notice-drastically-cutting-funding-permanent.

[694] *Trump Administration Releases CoC Funding Notice Drastically Cutting Funding for Permanent Housing and Putting 170,000 People At Risk of Homelessness,* NAT'L LOW INCOME HOUSING COAL. (Nov. 14, 2025), https://nlihc.org/resource/trump-administration-releases-coc-funding-notice-drastically-cutting-funding-permanent.

[695] *Trump Administration Releases CoC Funding Notice Drastically Cutting Funding for Permanent Housing and Putting 170,000 People At Risk of Homelessness,* NAT'L LOW INCOME HOUSING COAL. (Nov. 14, 2025), https://nlihc.org/resource/trump-administration-releases-coc-funding-notice-drastically-cutting-funding-permanent.

[696] Marcy Thompson, *Understanding Trump's Executive Order on Homelessness: Attacks on Housing First,* NAT'L ALL. TO END HOMELESSNESS BLOG (Aug. 5, 2025), https://endhomelessness.org/understanding-trumps-executive-order-on-homelessness-attacks-on-housing-first/.

Historically, these approaches have never solved poverty or homelessness; instead, they consistently amplify structural inequities that entrench both**.**

C. Criminalization and Targeting Communities

The Trump administration also continues to engineer social conflict and disparities by criminalizing minority groups and prioritizing punitive governance over structural aid. The Trump administration targets immigrants, homeless people, and LGBTQ+ people, much like Reagan's administration targeted Black mothers and Clinton and Bush I administrations targeted immigrants. From *Grants Pass* and its inevitable turn to civil and criminal commitment[697], to the many ways the Trump administration leverages federal funding to further oppress and make invisible trans people and their needs, governments at all levels are exhibiting increasingly oppressive and punitive forms of control over minority groups. As another example, in July 2025, Congress passed a reconciliation bill that made even *legal* immigrants ineligible for ACA subsidies, SNAP, Medicare, Medicaid, and CHIP.[698]

The current administration continues to punish homelessness. In July 2025, Trump implemented an executive order titled "Ending Crime and Disorder on America's Streets," which allows states and localities to criminalize homelessness through the reallocation of grants to jurisdictions that implement harmful policies such as encampment bans and forced institutionalization of people experiencing homelessness.[699] The executive order further instructs HUD to withdraw support for Housing First policies and to force recipients of homelessness assistance to participate in treatment in order to receive aid.[700]

The Supreme Court employed the same punitive approach when it loosened legal restrictions on criminalizing outdoor survival in *Grant's Pass*.[701] In doing so, SCOTUS gave a green light to states and localities to enact their own harmful policies and further criminalize homelessness through increased citations and arrests.

This punitive approach disproportionately impacts certain groups. LGBTQ+ communities are targeted by executive orders that defund "gender ideology" programs, making it harder for trans and gender-nonconforming individuals to find safe shelter and access aid. For immigrants, increased immigration enforcement hampers access to services for mixed-status families.

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[697] *City of Grants Pass v. Johnson*, 603 U.S. 520 (2024). For more on the legal momentum and strategies to hide homelessness; *see* Sara Rankin, *Hiding Homelessness: The Transcarceration of Homelessness*, 109 CAL. L. REV. 559 (2021) (discussing legal loopholes that encourage punishing homelessness, including civil and criminal commitments).

[698] Ben Davanzo, *Fact Checking Immigrants, Health Care, and the 2025 Tax and Budget Law,* NAT'L IMMIGR. L. CTR. (Oct. 1, 2025) https://www.nilc.org/resources/fact-checking-immigrants-health-care-and-the-2025-tax-and-budget-law/.

[699] Renee Willis, *Statement from NLIHC President and CEO Renee Willis on the Executive Order to Forcibly Hospitalize Unhoused Individuals*, NAT'L LOW INCOME HOUS. COAL. (July 24, 2025), https://nlihc.org/news/statement-nlihc-president-and-ceo-renee-willis-executive-order-forcibly-hospitalize-unhoused.

[700] Renee Willis, *Statement from NLIHC President and CEO Renee Willis on the Executive Order to Forcibly Hospitalize Unhoused Individuals*, NAT'L LOW INCOME HOUS. COAL. (July 24, 2025), https://nlihc.org/news/statement-nlihc-president-and-ceo-renee-willis-executive-order-forcibly-hospitalize-unhoused.

[701] *See generally* Sara Rankin & Laura Riley, *The Unavoidable Consequences of Homelessness*, 2025 UTAH L. REV. 1093 (2025) (discussing the Grants Pass case in depth).

The framing of homelessness as a disorder purposefully ignores the egregious civil rights issues that stem from punitive measures and criminalization. Due largely to federal budget cuts, agencies are being restructured and defunded, weakening their ability to enforce civil rights. For example, HUD's Office of Fair Housing and Equal Opportunity has experienced significant staff cuts, and new HUD guidelines limit investigations into discrimination cases related to sexual orientation, gender identity, or assistance animals. Insidiously, the current administration uses funding as leverage, cutting contracts with organizations that address civil rights issues or focus on DEI.

This sweeping redirection of policy priorities and disinvestment serves to obscure the real crisis of homelessness and poverty. When agencies and departments lose funding, they stop investing in research, as shown in the 1980s. When fewer people receive benefits, the government can tout it as fewer people living in poverty; in reality, it twists eligibility criteria to cut off support to the people who need it most. Homelessness increases when the government eliminates and downsizes social programs and treats poverty as a personal failure, rather than the predictable outcome of structural failures and systemic deprioritization of people over profit.

VII. LOOKING FORWARD

The structural failures identified in this report —decades of disinvestment, privatization, and criminalization— demand an equally forceful correction. The United States must fundamentally reject market-driven, time-limited relief in favor of robust, permanent policy solutions.

This correction begins with **restoring and expanding permanent housing funding** by reversing cuts to HUD programs and prioritizing deeply affordable, long-term housing. Policymakers must **strengthen safety-net programs**, expanding allotments beyond pre-1980 levels and removing arbitrary limits so that all who need assistance can access it. **Protecting vulnerable communities**, especially people of color, immigrants, LGBTQ+, disabled communities, requires removing exclusions that bar access to basic services. Furthermore, the nation must **shift away from privatized housing strategies** to create accessible housing and instead invest in stronger public and affordable housing options. Critically, reform efforts must end the **criminalization of poverty and homelessness** through repeal of punitive local ordinances and measures that condition federal funding on jurisdictional policing. **Reframing narratives** to center homelessness as a preventable policy failure driven by disinvestment and structural policies, including anti-black racism, is a first step. Finally, to ensure accountability, governments must **fund independent research** that tracks actual need. **Investing in and listening** to impacted and movement-led advocates can ensure the nation does not repeat historic failures.

In the face of devastating mass disinvestment and the criminalization of homelessness, there is no choice but to push for proven solutions that get to the root cause of the problem: invest in permanent housing over temporary, short-term "relief," and feed —rather than starve— the basic needs of the most vulnerable among us.