

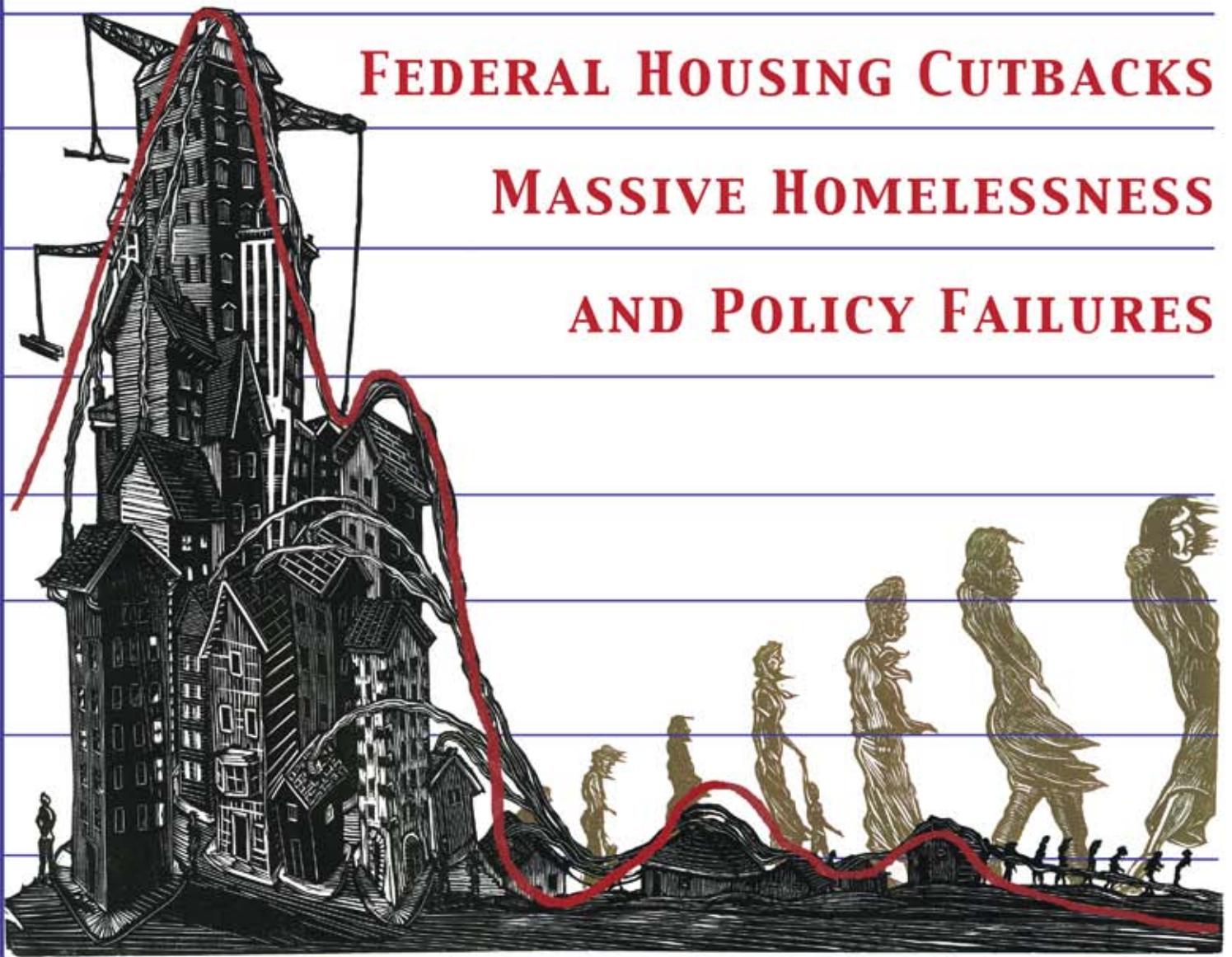
WITHOUT HOUSING:

DECADES OF

FEDERAL HOUSING CUTBACKS

MASSIVE HOMELESSNESS

AND POLICY FAILURES



WESTERN REGIONAL ADVOCACY PROJECT



As she did with countless others, Cushing Dolbeare had a lasting and extremely positive impact on me. My conversations with her were few and short, yet I remember all of them in detail. She was a “big shot” and I was a currently, then formerly, homeless advocate. She knew everything, and everyone wanted to talk to her. I didn’t realize the House and Senate were on opposite sides of the Capitol building!

In 2002, a friend of mine and I started translating the National Low Income Housing Coalition’s *Changing Priorities* reports, funding charts, and data into tools we could use to relate the housing cuts to homelessness. Since Cushing designed the methodology and was the original author of the report, I was incredibly nervous when a year later I knew I was going to see her at a meeting. I decided to print up a set to show off to her... I even printed a set for her in color!!! It was quite a moment: here I was a street punk, tough ass homeless organizer scared to death that Cushing was going to go off on me. She was either really good at faking, or she did actually remember everyone’s name. Regardless, as I walked up to the usual crowd of people around her and our eyes met, she could tell I wanted to ask her something. She smiled warmly and said, “Hello Paul, how are you,” as she stepped away from the crowd and over to me. I pulled out the small packet of charts we had made from her work and explained what we were doing with them. I was so nervous I even explained to her that her copy was in color. She grinned and said, “Yes, I can see that.”

For the next fifteen minutes, in spite of all the people tugging on her sleeves, she slowly went through each chart with me and we talked about different ways she thought I might be able to gain more clarity, or places where I had misunderstood her data and needed to educate myself more. She praised our efforts. Cushing told me that she was honored that a local homeless coalition would take her work and make use of it in this way. She stated that she felt she had no ownership of the information once she released it, and that the more people who took it and used it in ways that worked for them, the closer we all were to changing the system that has so many of us poor and homeless. Cushing told me she hoped I kept “messing” with her charts and using them as an organizing and public education tool.

It is in this Spirit of Cushing that we say to you: if you find this information useful, say a quick thank you to heaven and “mess with it” to your hearts content. As the woman said, “Information does no good for anyone if it just sits in a report.”



WITHOUT HOUSING:

Decades of Federal Housing Cutbacks, Massive Homelessness, and Policy Failures

BY

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Western Regional Advocacy Project

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Art Hazelwood

Claude Moller
Jos Sances



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WRAP is very proud to release this report in partnership with:

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National Association for the Education of Homeless Children and Youth, www.naehcy.org

National Health Care for the Homeless Council, www.nhchc.org

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Executive Summary

Without Housing documents federal funding trends for affordable housing over the past 25 years, particularly funding for housing programs administered by the US Department of Housing and Urban Development (HUD), as well as Section 515 rural affordable housing administered by the US Department of Agriculture (USDA). It describes the correlation of these trends to the emergence of a new and massive episode of homelessness in the early 1980s that has continued to the present, and also demonstrates why federal responses to this nationwide crisis have consistently failed. It is focused primarily on what we consider to be one of the most important – if not *the* most important – factors in explaining why so many people are homeless in the United States today: the cutbacks to and eventual near elimination of the federal government’s commitment to building, maintaining, and subsidizing affordable housing.

- In 1978, HUD’s budget was over \$83 billion.¹
- In 1983, HUD’s budget was only \$18 billion.²
- In 1983, general public emergency shelters began opening in cities nationwide.³
- In 1987, Congress passed the Stewart B. McKinney Act, providing \$880 million in homeless assistance funding (2004 constant dollars).⁴
- Since 1987, annual McKinney homeless assistance has never been more than \$1.4 billion.⁵

Our perspective is that the overwhelming omission of the systemic and broad structural causes of homelessness in public discussions and policy responses is nothing short of a collective deception that has only led to increased homelessness. Federal responses to homelessness have failed and will continue to fail unless and until they include a serious and sizable federal recommitment to funding affordable housing.

The Root Cause of Contemporary Homelessness

While decades of homeless policy responses have focused upon individual – rather than systemic – factors to explain and address homelessness, the fact that millions of families, single adults, and youth with different biographical backgrounds came to simultaneously experience homelessness in 1983 – and that millions continue to suffer on our streets today – requires a reexamination of historical and social structural forces.

- From 1976-1982, HUD built over 755,000 new public housing units, but since 1983, HUD built only 256,000 new public housing units.⁶
- From 1976-1985, a yearly average of almost 31,000 new Section 515 rural affordable housing units were built, but from 1986-1995, average yearly production was less than half that of the previous decade.⁷
- From 1996-2005, Section 515 built an average of only 1700 new units per year.⁸
- In recent years, over 200,000 private-sector rental units have been lost annually, and 1.2 million unsubsidized affordable housing units disappeared from 1993-2003.⁹
- HUD budget authority in 1978 was 65% more than its 2006 budget of \$29 billion.¹⁰

The de-funding of federal affordable housing programs, coupled with the loss of public housing units as well as private-sector affordable housing, should be central to any discussion of the causes of homelessness, yet they have been all but ignored in the debates about and policy responses to the current ongoing crisis. No matter what other factors may come into play in any individual's experience of homelessness – without housing, that person will remain homeless.

Over Planned and Underfunded

McKinney funding applications, including Continuum of Care plans (CoC) and the most recent 10-Year Plans to End Chronic Homelessness, all mandate arbitrary standards dictated by the latest whims and priorities of the federal government. These planning and granting procedures have led to intense competition among local service providers across the nation, pitting communities against each other in the constant scramble for pieces of a federal funding stream that is only a tiny fraction of what used to be spent on affordable housing production and subsidies before the cuts of the 1980s.

- There are currently over 470 CoC boards in the United States.¹¹
- There are currently over 220 communities with 10-Year Plans to End Chronic Homelessness.¹²

Many communities have both homeless coordinating boards to oversee and write their 5-year CoC plans, and 10-year planning bodies to write and oversee their plans to end “chronic homelessness.” All of them, however, are competing for the same small pool of McKinney homeless assistance funding. They are told that the small pittance the federal government currently allocates to address homelessness is ample if used in “efficient and innovative” ways.¹³

Government agencies and government-funded research projects have also produced an endless merry-go-round of policy responses and targeted homeless sub-populations, focusing small amounts of homeless assistance funding on ever-changing priorities, based on ever-changing assumptions. The basic premise of all these priorities and policy flavors – that homelessness is caused by the deficiencies of broken individuals – has distracted us from addressing its root cause: the drastic reduction and near elimination of federal funding for affordable housing.

Funding housing through homeless assistance programs – including Housing First and Supportive Housing – is an insufficient substitute for restoring funding for affordable housing for all who need it. The federal government's decision to fund Housing First with HUD *homeless assistance grants* – rather than with HUD *housing programs* – is a timely illustration of ongoing and long-term policies that have resulted in the dismantling of HUD affordable housing and the rise of mass homelessness.

The emergence of the Housing First model has occurred simultaneous with a continued assault on public housing, housing subsidies, Section 8, basic social safety net services, health care, childcare, education, and with a refusal to increase the federal minimum wage.¹⁴ Furthermore, while supportive housing claims to address the needs of homeless people with disabilities, it is neither a housing development program nor a community-based residential treatment program, but an underfunded hybrid of both. While emergency, transitional, and supportive housing programs have indeed rescued some individuals from homelessness, the lack of truly substantial funding for affordable housing production – which is the causal epicenter of contemporary homelessness – continues to reverberate throughout the United States.

Federal Priorities for Housing Assistance

The federal government is spending money on housing, but not on developing and preserving affordable housing. Over the last 30 years, annual tax expenditures for homeowner subsidies have grown from less than \$40 billion to over \$120 billion per year. Every year since 1981, tax benefits for homeownership have been greater than HUD's entire budget and have dwarfed direct expenditures for programs that benefit low-income renters.¹⁵

- Since 1996, HUD funding for new public housing has been \$0,¹⁶ while over 100,000 public housing units have been lost to demolition, sale, or other removal in that same period.¹⁷
- Since 2001, HUD public housing operating expense funding has been slashed by \$1 billion.¹⁸
- In 2004, 61% of all federal housing subsidies went to households earning over \$54,788, while only 27% of those subsidies went to households earning under \$34,398.¹⁹
- In 2005, federal homeowner subsidies totaled over \$122 billion, while HUD affordable housing outlays were only \$31 billion – a difference of more than \$91 billion.²⁰
- The current federal budget proposes to spend almost \$2.6 billion on a *single* submarine – more than twice what it spent on all 2005 McKinney homeless assistance.²¹

The priorities for federal housing assistance are askew and patently unfair, but the inequity of these priorities becomes even more egregious. In their struggle for survival, when poor and homeless people do find a little help in the form of government assistance, the government often mandates that they repay the community for this “charity” by performing street sweeping or other free public works labor.²² Such work requirements, however, are never placed on homeowners or corporations who receive government benefits far greater than poor people do.

Conclusion

The monumental economic collapse of the Great Depression starkly demonstrated that unregulated economic markets do not on their own provide the elements of an equitable and stable society, do not ensure basic social values, and ultimately leave too many people without economic security, education, health care and housing.²³ New Deal policies – particularly the federal funding of job programs, health care, Social Security, and affordable housing production – effectively minimized homelessness, and also sparked the greatest period of sustained economic growth in the history of the United States.

Without Housing shows the correlation of massive cuts to affordable housing programs to the emergence and continued prevalence of contemporary mass homelessness. We show the failure of policy responses that do not include substantial funding for the production and preservation of affordable housing. We show that federal funding priorities favor those who are least in need of federal assistance at the expense of those most in need. Following these premises, our conclusion is that the national crisis of mass homelessness cannot and will not be resolved without a recommitment by the federal government to fully fund legitimate housing programs. No matter how many hundreds of plans that communities are required to write, filling a \$54 billion affordable housing hole with \$1.4 billion in homeless assistance funding is an exercise in futility that can never be compensated for by any amount of local coordination or consolidation.

Until we recognize and commit ourselves to the principle that housing is a human right, we will not end homelessness in the United States. Until we acknowledge that quality education, economic security, and health care are also essential human rights, we cannot resolve the systemic causes of poverty. Once we, as a nation, commit to ensuring that all people have a roof over their head, the legislation, the policies, and the funding allocations will follow.

Introduction

This report documents funding trends over the past 25 years by the United States federal government in the area of housing. It describes the relationship between these trends and the emergence of a new massive episode of homelessness in the 1980s. It then demonstrates an important reason why federal responses to homelessness have failed to resolve the problem since then.

Homelessness is a complex issue with many contributing factors. To explain why any particular person experiences homelessness, one must look at the complex interaction between that person's biography and the social conditions in which they live. And it is important to understand both biographical and social factors when providing direct assistance and social services to homeless people.

It is, however, logically incorrect and severely misleading to rely on individual, biographical factors to explain why societal rates of homelessness suddenly skyrocketed in the 1980s to a level not seen since the Great Depression, and have continued to grow into the present. The fact that millions of families, single adults, and youths with different biographical backgrounds came to simultaneously experience homelessness requires a reexamination of historical and social structural forces. To understand what led to the current situation throughout the United States, we must look at the systemic factors underlying this nationwide emergence of mass homelessness. To understand why national rates of homelessness skyrocketed in the 1980s, we must ask ourselves what systemic factors changed in the late 1970s and early 1980s to allow so many people to fall through the social safety net and end up living and dying on our streets.

Everything from economic downshifts, to high unemployment, to deindustrialization, to global outsourcing of jobs, to the rollback of social programs, to disruptions of familial networks, to urban renewal, to the reduction in open-market low end housing, to racial discrimination, to gentrification has played a role in the rise of contemporary homelessness. In this report, however, we focus primarily on what we consider to be one of the most important – if not *the* most important – factors in explaining why so many families, single adults, and youth are homeless in the United States today: **the cutbacks to and eventual near elimination of the federal government's commitment to building, maintaining, and subsidizing affordable housing.**

The cutbacks to federal support of affordable housing – especially as reflected in the decimation of funding for the Department of Housing and Urban Development (HUD) in the 1980s – are the primary focus of this report for four principal reasons:

- 1) Housing matters when addressing homelessness. The federal government's recent "discovery" of the Housing First model for approaching "chronic" homelessness²⁴ undermines many of the claims that it made throughout the 1980s and 1990s: that resolving homelessness is not fundamentally a question of housing.²⁵
- 2) The federal government's decision to fund Housing First with HUD *homeless assistance grants* – rather than with HUD *housing programs* – is a timely illustration of ongoing and long-term policies that have resulted in the dismantling of HUD affordable housing and the rise of mass homelessness.
- 3) Most of the other social structural changes that contribute to contemporary homelessness had been occurring over long spans of time, and their impact on homelessness is not so directly traceable. The cutbacks to affordable housing, however, occurred in a relatively discrete period of time.
- 4) Even with all the other structural factors contributing to homelessness, if the federal government had continued to build appropriate quantities of affordable housing and had committed to ensuring that the supply of low-cost housing was sufficient to meet the demand, then we would not have seen massive increases in homelessness in the 1980s and 1990s. Reinvigorating our federal commitment to and funding of affordable housing provides the most straightforward way of resolving homelessness. While it may not eliminate homelessness altogether, it will bring us so much closer to that goal than any other single initiative.

The perspective of this report is that federal responses to homelessness have failed and will fail to resolve the problem unless they include a serious and sizable federal commitment to funding the production, subsidization, and preservation of affordable housing. The failure to resolve homelessness carried on throughout every administration and every Congress, both Democrat and Republican. Mesmerized by versions of the theory of trickle down economics, they have been more concerned with the welfare of wealthy corporations than the well-being of people. They have failed to re-establish adequate support for affordable housing, and have relentlessly dismantled – piece-by-piece – the basic social safety net and protections for workers that could have prevented many people in the United States from becoming homeless. No matter what else we might do, as long as this trend continues, homelessness and poverty will continue to exist in the United States.

The primary concern raised by this report is: how do we in the United States choose to allocate our public resources? To address this question as a nation, we must have a truly educated, comprehensive, inclusive, democratic, and informed debate about "our" government's priorities. We must ask whether the United States government is bound to a social contract to care for the needs of the people as much as, if not more than, it cares for the profits of corporations? Currently, federal priorities benefit wealthy corporations

and individuals far more than they do those people who need help to survive.²⁶ In the current scheme of national priorities, we give policies such as corporate welfare and tax breaks for the wealthy the positive label of “stimulus packages.” At the same time, we designate basic safety net programs and housing assistance for poor individuals and families with the negative label of “handouts” to people who have failed to pull themselves up by their bootstraps.

The irony here is that the federal government has not actually reduced its spending on subsidized housing in the last 25 years; it has simply changed its priorities about who receives housing assistance.²⁷ A recent bipartisan congressional committee found that federal tax expenditures for mortgage interest deductions to upper- and moderate-income homeowners far outweigh direct federal assistance to low-income renters.²⁸ This reality becomes all the more shameful when we take into account the findings of a recent presidential advisory panel on taxation: that mortgage tax breaks mostly go to a minority of taxpayers, generally from higher income groups. The presidential panel also determined that these tax preferences exceed what is necessary to encourage home ownership or to help more people buy a first home. In fact, over 70% of tax filers received no benefit from these tax breaks, and only 54% of taxpayers who pay interest on their mortgages received this tax benefit. Instead, more than 55% of the federal expenditures under this program went to 12% of taxpayers with incomes greater than \$100,000 – often to finance luxury or second homes.²⁹ These tax deductions serve to artificially elevate the cost of housing, especially at the high end of the market. Moreover, those benefiting the most from this tax program may actually be banks and real estate corporations that make their largest profit margins on high-end housing.³⁰

In other words, the priorities for federal housing assistance are askew and patently unfair: the bulk of the assistance now goes to wealthier people and corporations, while those desperately in need of affordable housing are left out on the street and labeled public nuisances. Current federal expenditures on homeownership tax deductions are nearly twice the budget authority that the Department of Housing and Urban Development had before it was decimated in the 1980s.³¹

Homelessness is a direct result of the decisions and funding priorities of our federal government. In this report, we present the evidence and we use artwork to breathe life into the information presented, which is too often devoid of passion and vitality in policy presentations, yet has such a dramatic and visceral impact on communities throughout the United States. Real people throughout this country are severely impacted by the destruction of the social safety net, by the lack of federal construction of affordable housing, and by our government’s “corporations first” approach. Whether you are sick and tired of panhandlers, or whether you yourself are a panhandler sick and tired of poverty, nasty comments, cops, and dirty looks – the decisions made in Washington, DC about housing and social policy directly impact your day-to-day life.

Throughout, we have remained true to the cold hard data. We have drawn our facts and figures from government agencies and other respected research reports. However, we have tried to document this information in a format that will allow you to comprehend that the story it tells is about human lives, human suffering, and human dignity.

Homelessness will not be ended simply by getting the figures right or by devising a new theory about whom to target with homeless services. It will end when we – as a nation – acknowledge that every human life is valuable and that housing, health care, education, and economic security are human rights.

In a country as rich as ours, it would not be difficult to create enough affordable housing to ensure that there is a sufficient supply for all who need. There is no lack of resources to ensure universal housing; what is lacking is the political will to undertake this task.

With this report and its artwork, we hope to help move our nation toward a commitment to house all people in the United States. With this report and its artwork, we hope to help move our nation toward the full recognition that housing is a human right.

Chapter 1

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

The Advent of Contemporary Homelessness

Homelessness is the most brutal and severe face of the widespread poverty experienced daily by 37 million men, women, and children in the United States.³² Between 2.3 and 3.5 million people, including 1.35 million children, are likely to experience homelessness in a given year.³³ Moreover, in recent years, families with children have been one of the fastest growing groups of homeless people in the United States.³⁴ The prevalence of homelessness is a moral outrage and demonstrates a profound failure of our economic and political systems.

Episodes of mass homelessness have occurred throughout U.S. history. However, in the middle of the twentieth century, New Deal policies and post-World War II social welfare programs effectively reduced the numbers of homeless people in the United States. Certainly, marginally housed populations and severe urban poverty did continue to exist after these policies and programs were initiated, especially amongst elderly men living in skid rows and amongst people facing racist economic discrimination.³⁵ Yet, few people were so deeply poor and had such limited options that they were forced to live on the streets.

The Great Depression and the New Deal

The monumental economic collapse of the Great Depression starkly demonstrated that unregulated economic markets do not on their own provide the elements of an equitable and stable society, do not ensure basic social values, and ultimately leave too many people without economic security, education, health care and housing.³⁶ In response to the Depression, the United States developed the New Deal, a series of safety net and social welfare policies designed to address the shortcomings of the free market. New Deal policies – particularly the federal funding of job programs, health care, Social Security, and affordable housing production – effectively minimized homelessness, and sparked the greatest period of sustained economic growth in the history of the United States. Powerful social movements during the Depression and throughout the next 40 years initiated and supported these and other New Deal and Great Society policies by incubating a widespread belief that social welfare policies were not simply government handouts, but rather the basic responsibility of a democratic government to the people who form that government.³⁷ **In a democratic system of checks and balances, social welfare policies are the essential check on economic markets. Without vigorous social welfare policies and programs, no system of economic markets will on its own ensure human rights and well-being for all.**

In the 1980s, however, the Reagan administration launched a dramatic assault on New Deal and descendant Great Society policies.³⁸ Guided by “free market” principles and the “trickle down” theory, Reagan slashed federal funding of social programs designed to assist poor people, including the federal funding of affordable housing production. While some similar cuts had also been made at the end of the Carter administration, Reagan maintained these cuts, dramatically increased them, and elevated the idea of eliminating social assistance to a guiding philosophy of governance. Reagan also initiated massive “supply-side” tax breaks for wealthy individuals and corporations, further gutting the social safety net to pay for these tax breaks. At the same time, he enormously increased military expenditures, pushing the nation into unprecedented peacetime deficits.³⁹

Reagan’s destruction of the social safety net and affordable housing production entailed a vicious assault on struggling low-income individuals and families. It occurred at the same time that the cumulative effects of deindustrialization, global out-sourcing of jobs, decreasing real wages, urban renewal, and gentrification were driving down income and driving up housing costs. Together, these factors left millions of people without economic security, unable to afford housing, and eventually out on the streets. By 1982, a wave of general emergency homeless shelters was opening in major US cities, and by the following year, new emergency shelters were springing up all across the nation. During the 1980s, homelessness tripled or quadrupled in many US cities.⁴⁰

Quick Fix Responses, Long Term Issue

Initially, federal government officials viewed the widespread emergence of homelessness in the 1980s as a temporary problem – the momentary result of a short economic recession.⁴¹ As a result of this myopic view of homelessness, they proposed minor, temporary, and local solutions to a supposedly passing problem. For example, in 1983 they established the Federal Interagency Task Force on Food and Shelter for the Homeless. The function of this agency was primarily to instruct localities on how to obtain surplus blankets, cots, and clothing.⁴²

Such temporary and local approaches to addressing homelessness, initiated in the early 1980s, failed dismally to resolve the crisis. Two and a half decades later, homelessness continues to grow in magnitude, and has become a common feature of everyday life in the United States. Thousands have died on the streets, and a generation of homeless and institutionalized children has grown up to be homeless adults.⁴³

Policy responses to homelessness over this period of time have resulted in a dizzying array of failures, or, at best, band-aid solutions: emergency food and clothing, temporary shelters, life skills training, money management courses, homeless tracking, transitional housing, and ever renewing calls for 5-year plans and 10-year plans to “end”

homelessness. Government agencies and government-funded research projects have also produced an endless merry-go-round of policy flavors and targeted homeless sub-populations, focusing small amounts of homelessness assistance funding on ever-changing priorities, based on ever-changing assumptions. Target populations and subsections of homeless people to be addressed have shifted time and again from “veterans” to “families” to “dually diagnosed” to “serial inebriants” to “chronics.”

Communities are asked time and again to draft and redraft new plans to compete for federal funds. McKinney funding applications, including Continuum of Care plans and the most recent 10-Year Plans to End Chronic Homelessness, all mandate arbitrary standards dictated by the latest whims and priorities of the federal government. The federal guidelines for these plans tell communities what target population to address, what sorts of programs to implement, and how to think about homeless people. These planning and granting procedures have led to intense competition among local service providers across the nation, pitting communities against each other in the constant scramble for pieces of a federal funding stream that is only a tiny fraction of what used to be spent on affordable housing production and subsidies before the cuts of the 1980s. Advocates and providers serving various homeless subpopulations have also been pitted against each other and diverted from seeking broad federal solutions to poverty as so much of their time and energy goes into the annual defense of and fight for the renewal of McKinney homeless assistance funding to serve their clients.⁴⁴

As we demonstrate above, public policy debates and media representations rarely address the systemic causes of homelessness; instead, they often portray homelessness as a problem with homeless individuals: their dysfunction, laziness, mental illness, substance abuse, lifestyle deviance, or general deficiency.⁴⁵ While many homeless people do experience significant personal challenges, it is of course the interaction of these challenges with insufficient health care, education, employment, and, particularly, housing systems that triggers – and perpetuates – homelessness. Rather than recognizing these realities, however, the negative stereotyping of homeless individuals as deviant outcasts has fed the tendency to respond to homelessness with inadequate local and temporary policies that fail to address the systemic causes of homelessness. These inadequate policy responses have then failed to resolve homelessness and, in some instances, even led to increases in homelessness – which in turn has increased negative stereotyping of homeless individuals. The end result of all this has been a vicious cycle of homeless policy. Poverty “experts,” media representations of homelessness, and government officials have been trapped in this vicious cycle for the last two and a half decades.

The Vicious Cycle of Homeless Policy

Continued
or increased
homelessness



Temporary and local responses to homelessness that fail to address its systemic causes

Premise that homelessness is primarily caused by the deficiencies of homeless individuals



Periodic calls for local homeless plans based upon the newest policy flavor

Stereotypes of homeless people as deviant and degenerate



Ever-changing policy flavors geared toward fixing different target sub-populations of homeless people

“Housing First” and the “Chronic Homeless” Initiative

The newest policy flavor in addressing homelessness is the Housing First model. This model makes the fairly common sense claim that the best way to help homeless people is to place them in a stable home first and then to provide case management and supportive services as needed.⁴⁶ Housing First has been euphorically hailed as a paradigm shift and a policy discovery that will end homelessness, rather than just manage it. Its basic rationale is that housing provides a stabilizing effect on the lives of people forced to live on the street. People actually experiencing homelessness have long known about this “stabilizing effect;” but, ironically, when academics and government officials pronounce this basic street wisdom, it suddenly becomes a policy discovery and a paradigm shift.

The hype surrounding Housing First, however, has not led to the funding of affordable housing production at the levels necessary to resolve homelessness and to generally help alleviate poverty in the United States because it has been applied only to a small stream of homeless assistance funding. Rather, the emergence of the Housing First model has occurred simultaneous with a continued assault on public housing, housing subsidies, Section 8, basic social safety net services, health care, childcare, education, and with a refusal to increase the federal minimum wage.⁴⁷ While Housing First has given lip service to the importance of housing, it has not been supported with a commitment to provide the resources necessary to ensure adequate, affordable, and universal housing for all.

Instead of leading to a push for universal and affordable housing, Housing First has been directly tied only to the newest homeless target sub-population: the chronically homeless. Chronically homeless people are defined as single homeless individuals with severe challenges of mental illness or substance abuse who have been serially homeless or who have been homeless for over a year.⁴⁸ The Bush administration, through the United States Interagency Council on Homelessness (ICH) and HUD, has advocated for a mandate that, in order to receive priority for federal funding, localities must produce ten-year plans focusing their community’s efforts toward addressing chronic homelessness.⁴⁹ Housing First is the favored model for addressing chronic homelessness. This has forced communities to often implement Housing First policies by leasing hotel units from for-profit landlords, and then claiming that these previously existing units are newly created housing for homeless people.

Combining Housing First with a nearly exclusive focus on chronically homeless individuals links the recognition of the importance of affordable housing in addressing homelessness with the portrayal that homelessness is primarily about dysfunctional, “chronically” homeless individuals. In this portrayal, affordable housing becomes primarily a means to warehouse deviant homeless individuals.⁵⁰ This again reinforces negative stereotypes about homeless people and the premise that individual deficiencies are the primary cause of homelessness. Rather than contributing to a full redress of the

massive need for affordable housing throughout the United States, Housing First has become but another strategy for dealing with degenerate homeless outcasts.

With each annual budget and with seemingly great determination, the federal government continues the cuts to social programs that began under Reagan and continues to pulverize the social safety net and affordable housing options that prevent people from becoming homeless in the first place. For more than 25 years, politicians, government agencies, and community task forces – with all their various plans and programs to address homelessness – have failed to restore federal funding and construction of affordable housing to the pre-1980s levels. It is not surprising, therefore, that they have failed to resolve homelessness.

Until federal production and subsidization of affordable housing is fully funded, until housing is seen as a basic human right which the federal government has an obligation to ensure for all people residing within its territory, the latest policy flavors for addressing homelessness will continue to come up short. The human suffering and loss of life that result from these failures will persist, and will continue to grow.

Chapter 2

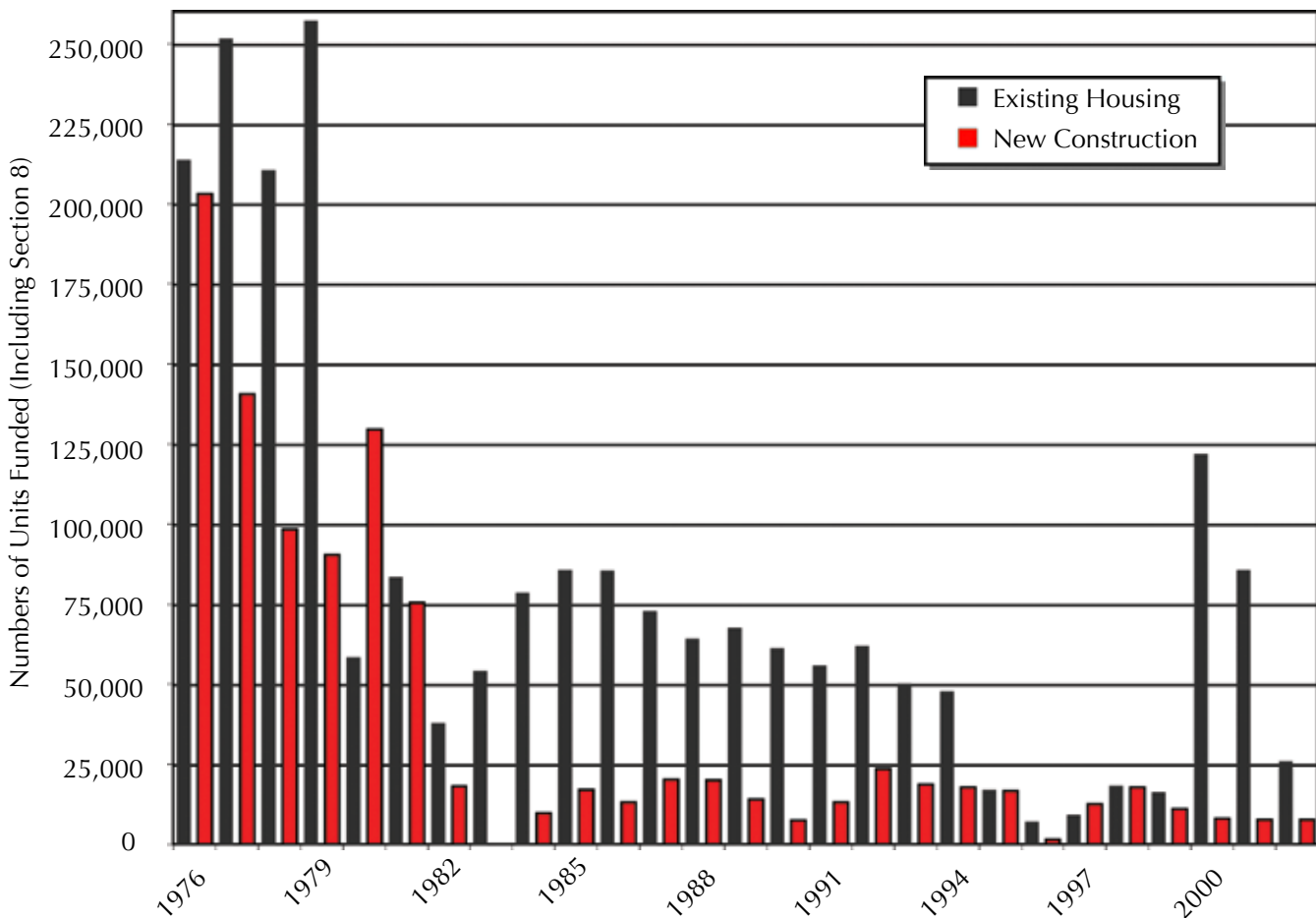
The Epicenter of Homelessness: Cutbacks in Federal Funding of Affordable Housing

The Dismantling of Federal Affordable Housing Programs

Many social structural factors contribute to the prevalence of homelessness, housing instability, and overcrowding of living spaces in US society today. Economic downshifts, high unemployment, deindustrialization, global outsourcing of jobs, changing community patterns, disruptions of familial networks, the rollback of social programs, urban renewal and ghettoization, the elimination of low end housing, racial discrimination, and gentrification all play a role. However, the historical policy decision in the last quarter century to de-fund the federal production and subsidization of affordable housing is the primary cause of homelessness in the United States today.

The following chart dramatically demonstrates the dismantling of affordable housing construction and subsidization by the United States Department of Housing and Urban Development (HUD).

Chart 1: HUD Subsidized Housing Units ⁵¹



From the advent of public housing authorities in 1937 as a response to the Great Depression, through mortgage assistance programs provided under the 1944 G.I. Bill, to the Section 515 rural affordable housing provisions of 1949, through the creation of the Section 23 leased housing program in 1965 to its replacement by Section 8 in 1974, federally funded affordable housing provided an essential safety net for low-income families and individuals.⁵² As the previous chart demonstrates, however, this historical commitment began to seriously wane by the early 1980s. Federally funded affordable housing under HUD, especially the construction of new units of affordable housing, was obliterated. These federal cuts delivered serious blows to low-income households, even as local governments throughout the country implemented Urban Renewal projects – which then often did further harm to poor families and individuals.

Urban Renewal, Deindustrialization, and the Primary Importance of Cuts to Affordable Housing

In 1949, the federal government initiated Urban Renewal ostensibly as part of a strategy to ensure “adequate housing for families of low incomes where the need was not being met by private enterprise.”⁵³ Despite this apparently positive original intention, many critics have also charged that Urban Renewal worked largely as a mechanism of racial and class exclusion through the wholesale destruction of communities.⁵⁴ By the late 1970s and early 80s, Urban Renewal had moved largely into the domain of local governments. Funded through Urban Development Action Grants, it became primarily a policy of “commercial revitalization.”⁵⁵ Local governments – catering to business interests – sought to create shining city centers, which could attract wealthy residents, high-end shops, and mobile corporations. They promoted gentrification of neighborhoods and the demolition of cheap housing stock, such as single room occupancy hotels. The housing market tightened, particularly for affordable housing, and homelessness skyrocketed.

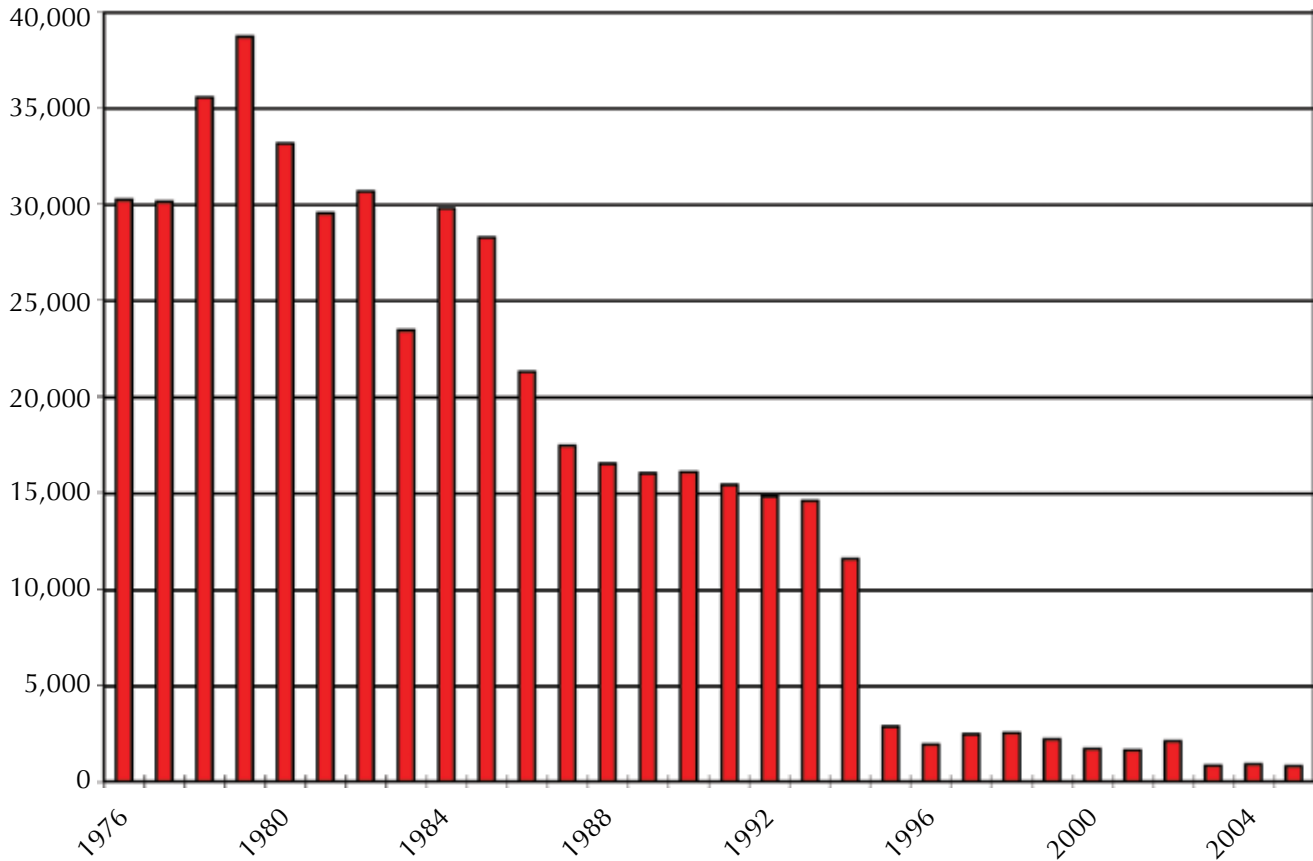
The loss of affordable housing has continued into the present due both to public Urban Renewal programs and private market decisions. The result has been an unabated affordable housing crisis throughout the United States. In the later half of the 1990s alone, demolition, abandonment, and rent increases led to the loss of hundreds of thousands of units of private, unsubsidized affordable housing previously available to low-income renter households.⁵⁶ Throughout the 1980s and early 1990s, at the same time that both federally subsidized and private unsubsidized units of affordable housing were rapidly disappearing, urban centers were also feeling the impacts of deindustrialization and factory shut-downs.⁵⁷ Deindustrialization led to high unemployment and the loss of good paying jobs within many urban centers, particularly in African-American communities.⁵⁸ The need for affordable housing increased significantly.

It was precisely at this moment that the federal government should have sought to counterbalance the stresses placed by Urban Renewal and deindustrialization by

increasing its production and subsidization of affordable housing and by expanding HUD's budget. Instead, the federal government chose to cut HUD housing programs, and contemporary mass homelessness emerged.

The federal decimation of affordable housing programs did not occur only in urban centers and only via cutbacks to HUD. The federal government also stopped the construction of new affordable rural housing. The following chart documents the abandonment of the creation of rural affordable housing units under the Section 515 housing program administered by the US Department of Agriculture.

Chart 2: Rural Affordable Housing Units Created by Section 515⁵⁹



The cutbacks in federal funding of affordable housing were the primary precipitating cause of the emergence of massive homelessness in the 1980s through to today. As a result of these cutbacks, millions of single adults, families, and youths found themselves out on the streets and homeless for the first time in decades.⁶⁰ Local governments used archaic “quality of life” laws and selective police enforcement to move homeless people in and out of jail, around and out of town, in an endless shell game.⁶¹ To make matters worse, many politicians, government officials, community agencies, corporate interests, and journalists immediately declared that these homeless people were themselves the problem. They were losers, addicts, crazy, lazy, and misfits.⁶²

The Human Impacts of Federal Cuts

The human consequences of the lack of affordable housing in the United States are severe. While the current federal emphasis on chronic homelessness highlights the impact on single individuals with disabilities, it omits the harm done to many other populations living in the United States. Without an adequate housing safety net, women who flee from abusive partners often find themselves out on the street with nowhere to turn.⁶³ Low-wage workers and immigrants, who provide the labor to keep our economy running, often receive wages insufficient to afford housing and end up homeless.⁶⁴ Families with children, struggling to make ends meet, comprise one of the fastest growing groups of homeless people in the United States.⁶⁵ Families are estimated to make up between 33-40% of homeless people nationally, and the number of homeless families continues to grow each year.⁶⁶

The Impact on Children

Parents who end up homeless are often separated from their children, and are labeled by government agencies as unfit because they do not have a home.⁶⁷ Against these odds, however, many families experiencing homelessness valiantly seek to stay together. Parents struggle to take care of their children even as they search determinedly for housing, look for decent work, and hold down underpaying jobs.⁶⁸ Despite the barriers they face, these parents endeavor to keep their kids in school. The US Department of Education reported that over 600,000 identified homeless students were enrolled in public schools in the 2003-2004 school year.⁶⁹ Ironically, one of the populations most threatened by the federal administration's current shift of emphasis to "chronic homelessness" is children and youth; without shelter and other services provided through McKinney-Vento homeless assistance grants, and unless a major federal effort is made to create affordable housing, many of these homeless children may themselves end up "chronically homeless" when they become adults.

For those 600,000-plus homeless students, and for every other homeless person, the suffering caused by the retrenchment of federal affordable housing over the last 25 years is beyond measure. The newest federal approach to homelessness, "the chronic homeless initiative," is failing yet again to address the real need for substantial funding for federal affordable housing. This new stratagem is created by a matrix of government agencies, nonprofit think tanks, and charity foundations who make their living defining homelessness and its causes, but who rarely, if ever, listen to homeless and poor people or front line service providers themselves.

In summary, the answer to homelessness is in some ways deceptively simple: universal affordable housing for all who need. Over the last 25 years, the United States has pursued the exact opposite policy. It has supported home ownership for the wealthy,

subsidizing luxury homes and second homes for the few while betraying and abandoning the many poor people who need affordable housing.⁷⁰ In this perverse process, the United States of America abandoned any pretense of the ideals that housing, education, health care, and economic security are basic human rights. It abandoned the constitutional declaration that the government should promote the welfare of the people within its territory. It abandoned the poorest and most vulnerable members of society.

The Universal Declaration of Human Rights, which the United States voted in support of when it was ratified by the United Nations in 1948, states that “everyone has the right to a standard of living adequate for the health and well-being of himself and of his family, including food, clothing, housing and medical care and necessary social services, and the right to security in the event of unemployment, sickness, disability, widowhood, old age or other lack of livelihood in circumstances beyond his control.”⁷¹ The United States would do well to ensure that it provides these basic human rights for all the people living in its territory before it sends destroyers and fighter jets to spread democracy and human rights throughout the globe.

Chapter 3

Band-aids and Illusions: The Consistent Failure of 25 Years of Homeless Policy

The First Responses, Emergency Services, and Shelters

As we have shown, a direct result of cuts starting in 1980 to the Department of Housing and Urban Development's (HUD) affordable housing programs was the emergence of contemporary mass homelessness in the United States. As homelessness surged, organized groups of homeless people and advocates, along with allied service providers, lawyers, health professionals, and members of the clergy pushed homelessness into prominence as a national political issue. They used legislative, judicial, and direct action to demand a federal government response to homelessness. By 1983, Congress was hearing testimony that homelessness was becoming a serious problem across the country. Government agencies, charity foundations, researchers, and business representatives all began to respond to this pressure. They took charge of homeless policy, putting forth minor, temporary, and local solutions to a massive, long-term, and national problem.

In 1983, the federal government established the Interagency Task Force on Food and Shelter for the Homeless with the initially limited role of educating localities on how to obtain surplus blankets, cots, and clothing. Congress also authorized \$140 million for the Emergency Food and Shelter Program to be run by the Federal Emergency Management Agency.⁷² By initially responding to homelessness through small-scale funding for shelters, rather than by addressing the systemic need for affordable housing, the federal government locked itself into a path by which homelessness could not be resolved, and the need for shelters steadily increased. The result of this lock-in was the institutionalization of the shelter system. Over the next couple of decades, shelters grew from being a temporary emergency response to a supposedly momentary problem to become institutionalized as a permanent tier in the housing market of many localities.

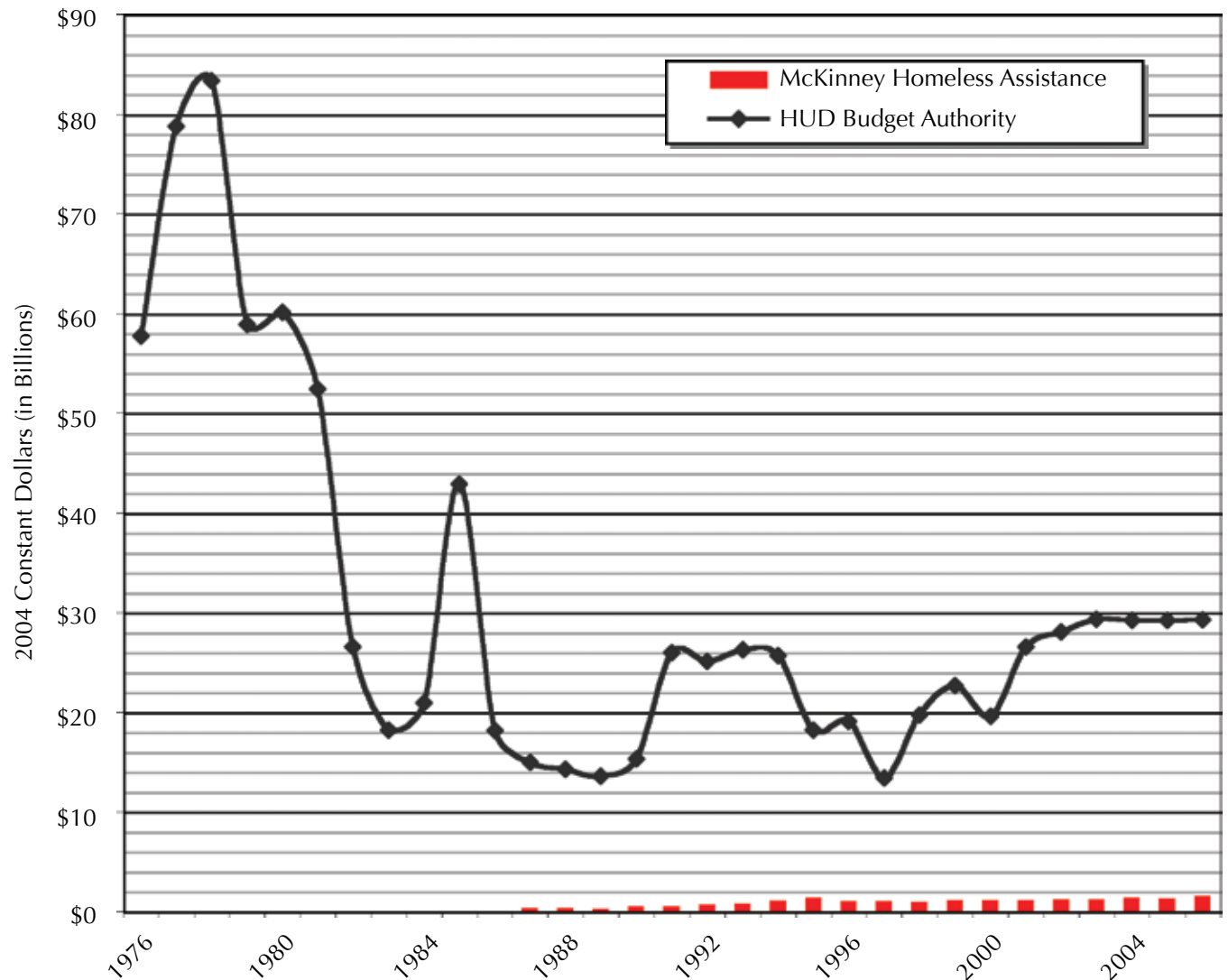
The Stewart B. McKinney Act of 1987

By 1987, the pressure brought to bear by homeless community organizing and advocacy efforts compelled the federal government to admit that homelessness was indeed a problem of national scope. Congress passed, and Reagan signed into law, the Stewart B. McKinney Homeless Assistance Act of 1987, the first and only major federal legislation devoted solely to addressing homelessness.⁷³ But again, rather than reconsidering and restoring cuts to affordable housing, the federal government created a tiny funding stream that functioned in large part to further institutionalize the shelter system; a small portion supported some transitional housing and mobile health care programs.⁷⁴ Federal funding of HUD's low-income affordable housing programs – a crucial part of preventing homelessness – continued to be cut.

Federal government responses to homelessness focused primarily on emergency services throughout the 1980s. By the 1990s, federal responses also came to incorporate some transitional services to help homeless people “get back on their feet.”⁷⁵ In both these decades, however, addressing homelessness was largely about “tough love” charity to a fallen individual rather than about repairing a broken society or supplementing and regulating inadequate housing markets. The federal funding levels for homeless assistance programs have remained miniscule compared to the cuts made to the HUD budget in the 1980s. By cutting HUD’s affordable housing programs, the federal government had opened a gaping wound in the fabric of American society. More and more cuts continued to widen that wound. As millions of families, single adults, and youths ended up on the streets, the federal government responded to them with homeless programs that resembled tiny band-aids attempting to patch a giant lesion.

The following chart compares the decline in HUD’s budget authority to the emergence of new funding streams for McKinney Act homeless programs.

Chart 3: HUD Budget Authority and McKinney Homeless Funding⁷⁶



Supportive Housing, the Criminalization of Homelessness, and the HOPE VI Program

In the 1980s, alongside emergency responses to homelessness, the idea of supportive housing also began to emerge as a strategy for permanently housing disabled homeless people. Supportive housing combines subsidized housing with onsite case management services. The federal government first funded a supportive housing demonstration project in the 1987 McKinney Act.⁷⁷ By 1992, supportive housing was declared to be an innovative and effective way to resolve homelessness, and was made into a permanent federal initiative.

Since its inception nearly 20 years ago, however, the supportive housing model has failed to end homelessness. First, supportive housing is neither a housing development program nor a community based residential treatment program, but an underfunded hybrid of both. Not all homeless people need residential treatment, but for those who do, supportive housing is often an inadequate substitute. Second, as a pseudo-housing program, supportive housing has not funded the production of anything remotely close to the number of new units needed to address the shortage of affordable housing in the United States. Without the federal funding necessary to construct new housing, local governments have often chosen to implement supportive housing not by building new units, but instead by leasing previously existing hotel rooms from for-profit landlords, replacing current residents with homeless people, installing a few case workers in the front office, and then declaring that they have “created new housing for the homeless.” Finally, when supportive housing – a program targeted at severely disabled homeless people – is seen as the primary or only solution to homelessness, it reinforces the illusion that massive rates of national homelessness are due to individual biographical factors rather than social structural causes.

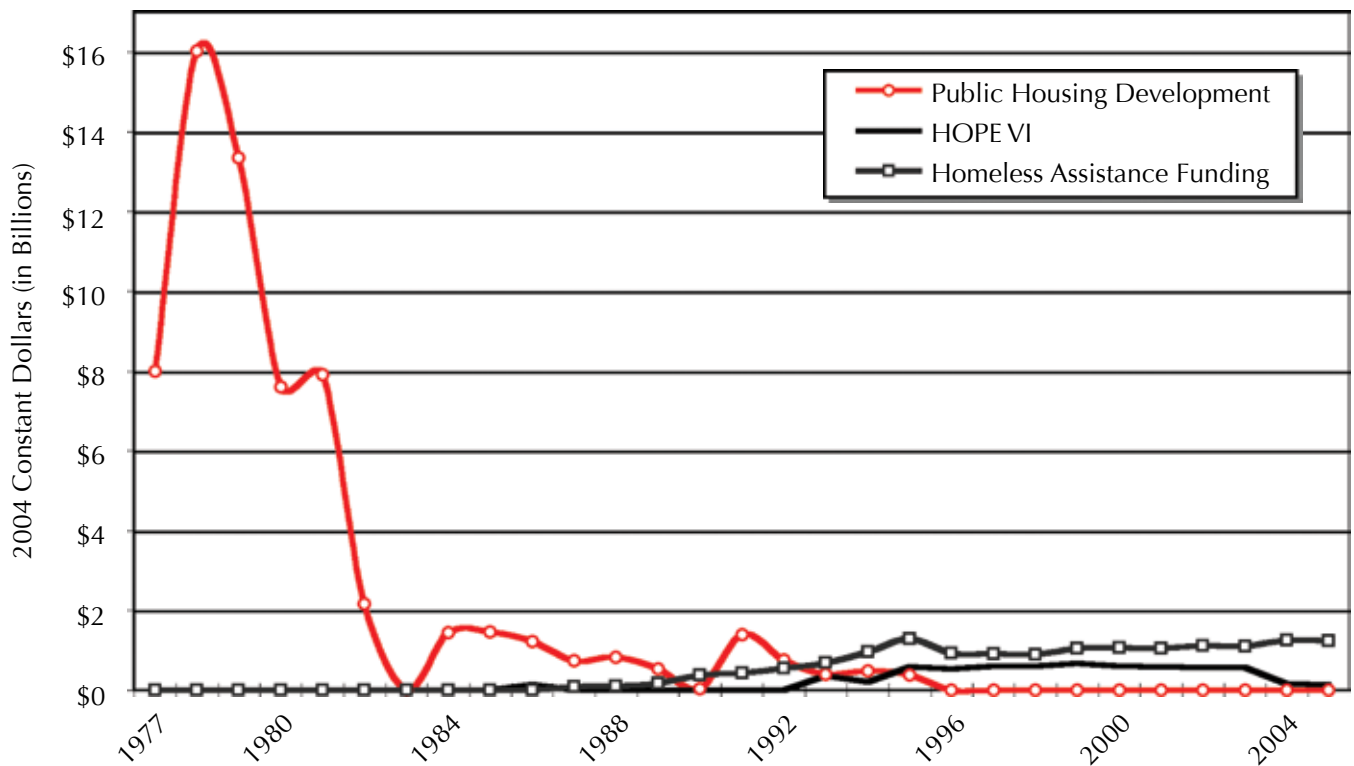
The Criminalization of Homelessness

Alongside emergency, transitional, and supportive housing responses to homelessness, many localities have also sought to address homelessness by employing punitive police tactics aimed at homeless people.⁷⁸ Punitive policies are largely driven by the concerns of business interests, and their complaints that visible homelessness reduces consumer sales, tourism, and the attraction of new companies. Some residents who feel uncomfortable with the unsightliness of extreme human poverty also support these policies. Punitive policies implicitly follow the rationale that solving homelessness involves increasing social control over deviant individuals.⁷⁹ Punitive policies employ the false premise that if you hit a homeless person hard enough, or issue a big enough fine and then jail them when they don't have the money to pay, then that person will stop wanting to be poor and will stop having nowhere to sleep. The fallacy of this premise is that while the person may leave that park, doorway, neighborhood, or town, they will still be poor and homeless.

In the 1990s, the federal government also initiated the HOPE VI program to redevelop and revitalize “severely distressed” portions of the public housing stock. This program stemmed out of the findings of a 1992 report by the National Commission on Severely Distressed Public Housing, a commission created by Congress a few years earlier to investigate troubled public housing units. Public housing is a vital national resource.⁸⁰ Despite the widespread and generally undeserved negative reputation of Public Housing, the 1992 commission report found that only 6% of the total public housing stock was severely distressed. In response to the report, Congress nevertheless initiated the HOPE VI program to revitalize or demolish troubled public housing units, and generally to improve the quality of public housing. The HOPE VI program, however, often did more harm than good. It resulted in the forced displacement of tens of thousands of families and the permanent loss of large amounts of guaranteed affordable housing.⁸¹ Thus, one of the major new public housing initiatives that the federal government did undertake in the 1990s actually increased homelessness in many communities.

While the outcomes of the HOPE VI program have been intensely debated, the simple fact remains that the monetary investment in public housing under HOPE VI pales in comparison to pre-1980 federal funding for the construction of new public housing. The following chart shows the steep decline of public housing development funding compared to the tiny growth of funding for both McKinney homeless programs and the Hope VI program.

Chart 4: Comparison of Funding for Homeless Programs, HOPE VI, and New Public Housing Development⁸²



As we have shown, the response to homelessness over the last two and a half decades has been woefully inadequate. While emergency, transitional, and supportive housing programs have indeed rescued some individuals from homelessness, the lack of truly substantial funding for affordable housing production – which is the causal epicenter of contemporary homelessness – continues to reverberate throughout the United States. While policymakers focus on minor statistical indicators about one or another homeless target population, and while social workers on the front line launch valiant downstream rescues of specific families and individuals who have been forced into the streets, the upstream cause of homelessness remains.

Collective Deception About Homelessness In The United States

The cumulative result of the myopic focus over the last 25 years on inadequate, local, temporary, individually oriented, and punitive responses to homelessness has been a distortion of reality so profound that it must be called an illusion. The overwhelming omission of the systemic and broad structural causes of homelessness in our public discussions and policy responses is nothing short of a collective deception. The influential sociologist, Pierre Bourdieu, referred to mass social deceptions, somewhat similar to the one surrounding homelessness in the United States, as “collective misrecognition.”⁸³ This deception involves misrecognition of reality which is so grand, and which encompasses so many people, that no specific individuals are responsible for intentionally creating the deception. Although the deception does serve to benefit some groups within society over others, it is not simply a conscious conspiracy. Rather, it is a deception so deep that it has seeped into the very core assumptions and paradigms through which people see and understand the world.

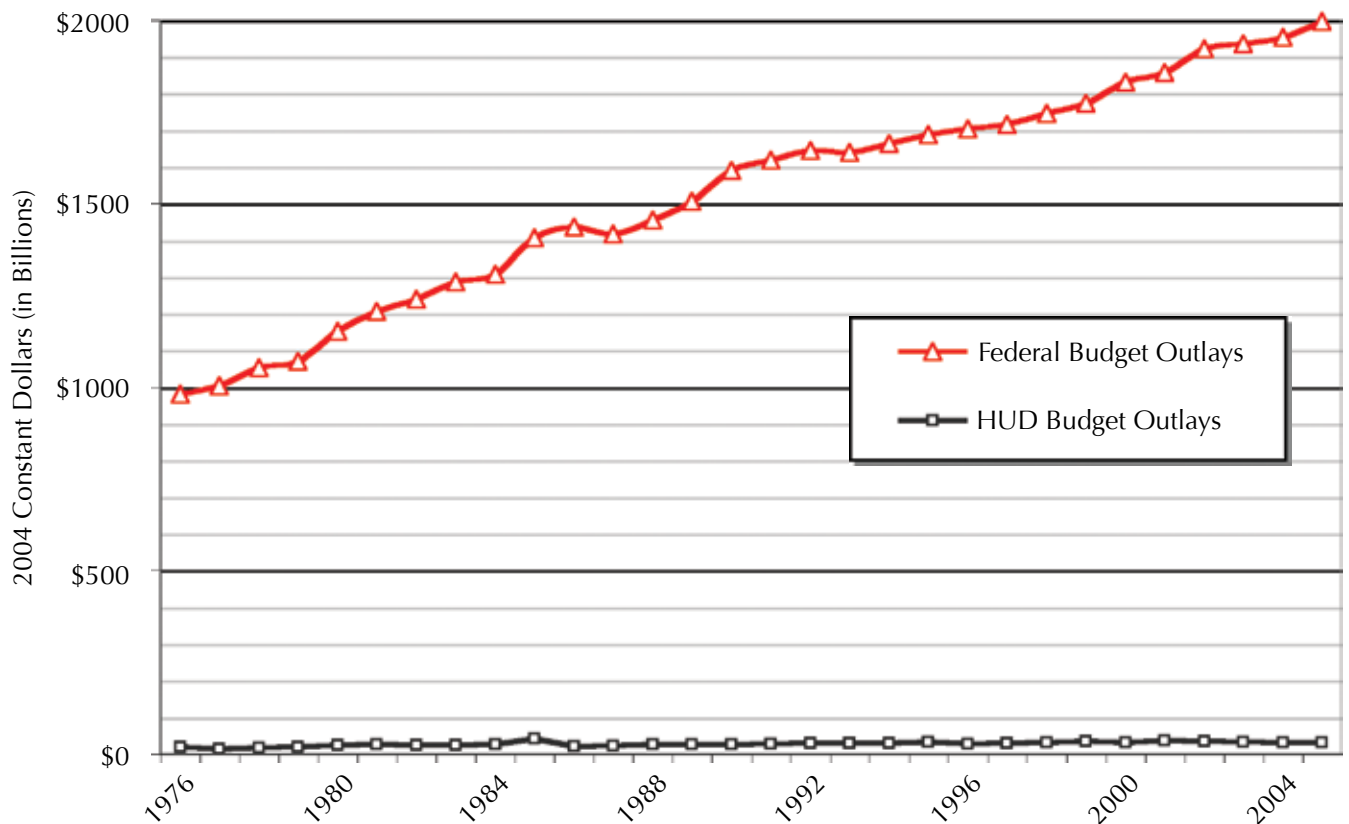
The overwhelming omission of systemic and structural causes of homelessness in public discussions and public policy responses to homelessness in the United States is a collective deception that has involved thousands of policymakers, poverty “experts,” researchers, charity foundation staff, and journalists. This deception has been reinforced time and again in the authoritative texts of government-initiated studies about homelessness, and has been corroborated by private and academic researchers on the government payroll. It has been found in the columns of newspapers, in the content of TV and radio news shows, and on the covers of both popular magazines and academic journals. This deception can be heard in the halls of legislative chambers, in policy conferences, in the planning meetings of local commissions, and in passing conversations in communities throughout the United States.

This deception tells us that small, sub-population targeted responses to homelessness are enough to solve the crisis. This deception tells us that outreach to reticent homeless people is the solution to homelessness. This deception tells us that leasing a few-thousand hotel rooms and installing some case managers in the front office will “end homelessness

in ten years.” This deception tells us that we can end homelessness if only we create task forces and local committees to generate the will to end homelessness, but without any major increases in federal funding of affordable housing. This deception tells us that the small pittance the federal government currently allocates to address homelessness is ample if we just use those funds in “efficient and innovative” ways.⁸⁴

Amidst all of this collective deception, however, perhaps the greatest lie of all is that the United States just doesn’t have the money to do anything more than it already does to address homelessness. This lie tells us that the old days of publicly-funded affordable housing have passed, because we are in a new era of tight budgets and small government. The chart below explodes this myth. It shows that federal budget outlays doubled in the last 25 years, even as the total outlays of the Department of Housing and Urban Development were flat-lined. The federal government spends nearly twice the amount of money it did in 1980. The money needed to resolve homelessness is already available, but the federal government has consistently decided to spend those funds on endeavors other than providing adequate assistance to poor and homeless people.

Chart 5: Comparison of Total Federal Outlays and HUD Outlays⁸⁵



Chapter 4

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

Where Is the Money Going?

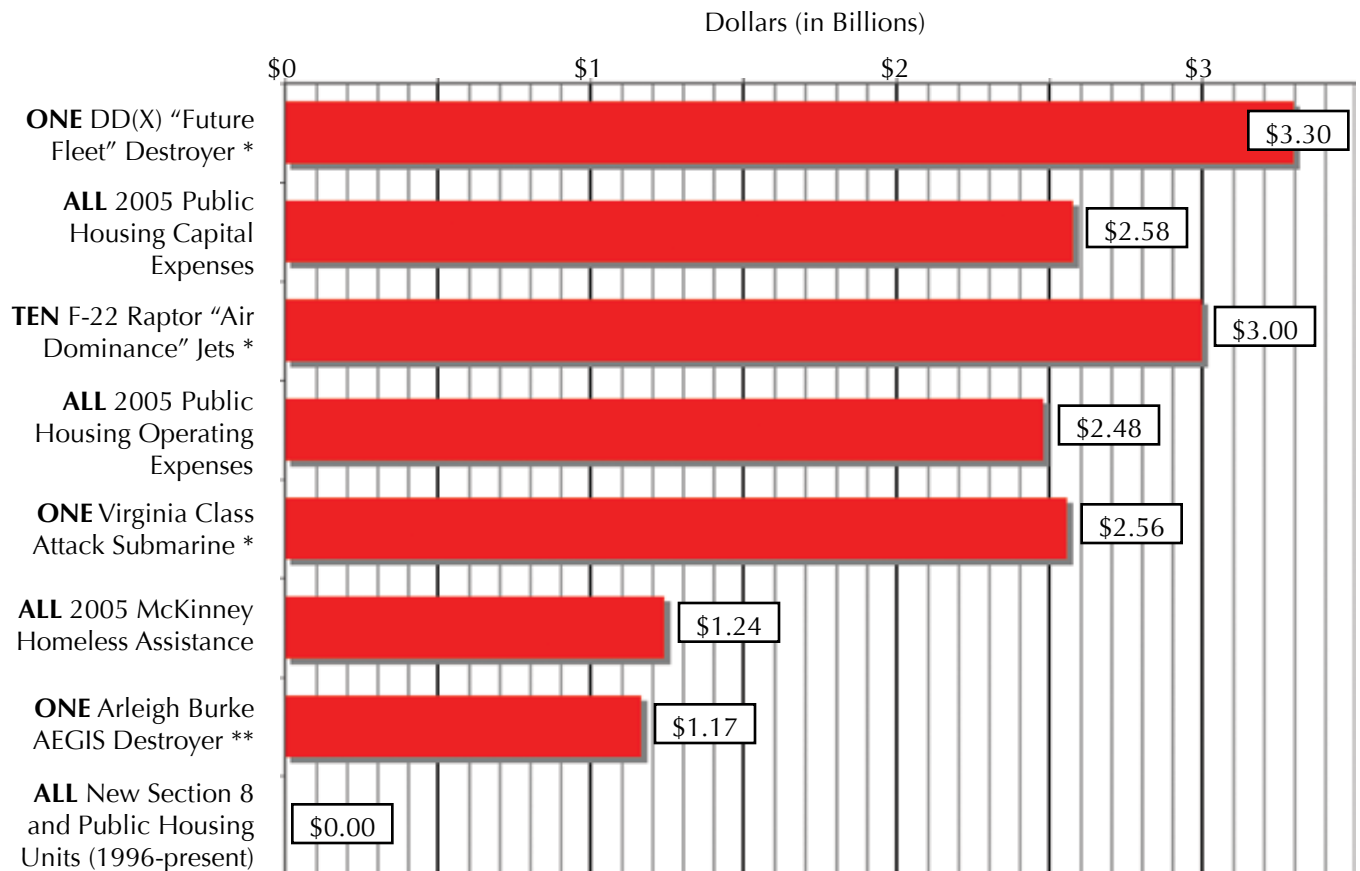
Federal government budget outlays have doubled in the last 25 years, while federal funding for the construction of affordable housing has plummeted.⁸⁶ If the United States government is spending twice as much money as it did a quarter century ago, in constant 2004 dollars, but is spending only a small fraction of what it used to on developing affordable housing, the question arises: where is the money going?

Some of the answers to this question are fairly well known. The United States of America has made the decision to expend more resources on militarization and weapons than any other nation on Earth. In 2005, publicly known US military expenditures totaled nearly \$500 billion dollars.⁸⁷ This accounts for more than half of the total federal discretionary spending for that year.⁸⁸ In fact, the United States spends almost as much on weapons and militarization as all other nations in the world combined.⁸⁹ Other answers to where the US government spends our money – such as the massive funding of corporate welfare and tax breaks for the wealthy – are known, but are often concealed as “economic stimulus packages.” Expenditures on corporate welfare are difficult to calculate, but accounts suggest the United States spends at least \$85 to \$150 billion annually in direct corporate welfare.⁹⁰

But it's not as if the federal government isn't spending money on housing. Over the last 30 years, annual fiscal expenditures for homeowner subsidies have grown from less than \$40 billion to over \$120 billion per year, in constant 2004 dollars. These homeowner subsidy expenditures largely benefit upper-income homeowners.⁹¹

Each of these expenditures represents a trade-off. When the federal government spends money or provides tax-based expenditures in any of these areas, it chooses not to use those resources for the construction and subsidization of affordable housing and other social programs. Some trade-offs may be more or less benign compared to others. However, in light of the effect these trade-offs have had on millions of homeless people, their cumulative impact has been lethal. The following chart illustrates some of these lethal trade-offs by comparing federal spending on particular military machines with total 2005 federal expenditures for public housing and homeless programs.

Chart 6: Comparison of Federal Funding Priorities ⁹²



* figures are from the President's FY2007 Budget Proposal

** there are 47 Arleigh Burke AEGIS destroyers in the fleet, and 14 more authorized

The last 25 years have seen a massive increase in military spending as the military-industrial complex has grown in strength and power.⁹³ The United States is without question the mightiest economic and military power on the planet. Consider the US Navy, which currently has well over 400 vessels and over 2300 aircraft in its fleet, including approximately 180 warships and submarines.⁹⁴ This force is greater than any other naval power in the world.⁹⁵ The US Navy's current fleet of AEGIS destroyers alone (47, with 14 more authorized), carrying nuclear-capable missiles, has the capacity to simultaneously blow up the fifty largest cities in the world.⁹⁶ With dozens of destroyers and attack submarines in our fleet, with many hundreds of fighter jets in the air, one less destroyer (out of 12 more requested), a few less fighters (out of 179 more requested), or one less submarine (out of 30 more requested) will not jeopardize our homeland security, and will not leave us vulnerable to attack by any military power.⁹⁷ Yet we continue to build up our arsenal in order to maintain supremacy over the rest of the world, at the expense of those who are forced to live on our own streets. The US government plans to spend more money on *one* destroyer than it spent on *all* 2005 capital expenses for public housing; more on *ten* F-22 fighter jets than on *all* 2005 operating expenses for public housing; and *twice as much* on a *single* submarine than on *all* 2005 McKinney-Vento Act homeless assistance.

Currently, over 4 million households live in HUD subsidized housing, with 2.4 million people – in 1.2 million households – living in public housing buildings.⁹⁸ Between 2 and 3.5 million people experience homelessness in any given year – including up to 1.35 million children. How many of these homeless people could have found affordable housing and stabilized their lives with a roof over their head, how many families in public housing could have a cleaner, safer place to live if we had built a few less weapons of war and with those savings constructed hundreds of thousands of new units of affordable housing? Even from the perspective of international relations, how can we truly win the hearts, the minds, and the respect of the rest of the world, if we continue to adopt national policies that create extreme poverty and homelessness in the wealthiest nation that has ever existed on Earth? How can we exemplify and promote democracy abroad, when we do not even protect the basic human rights to housing, health care, education, and economic security here at home?

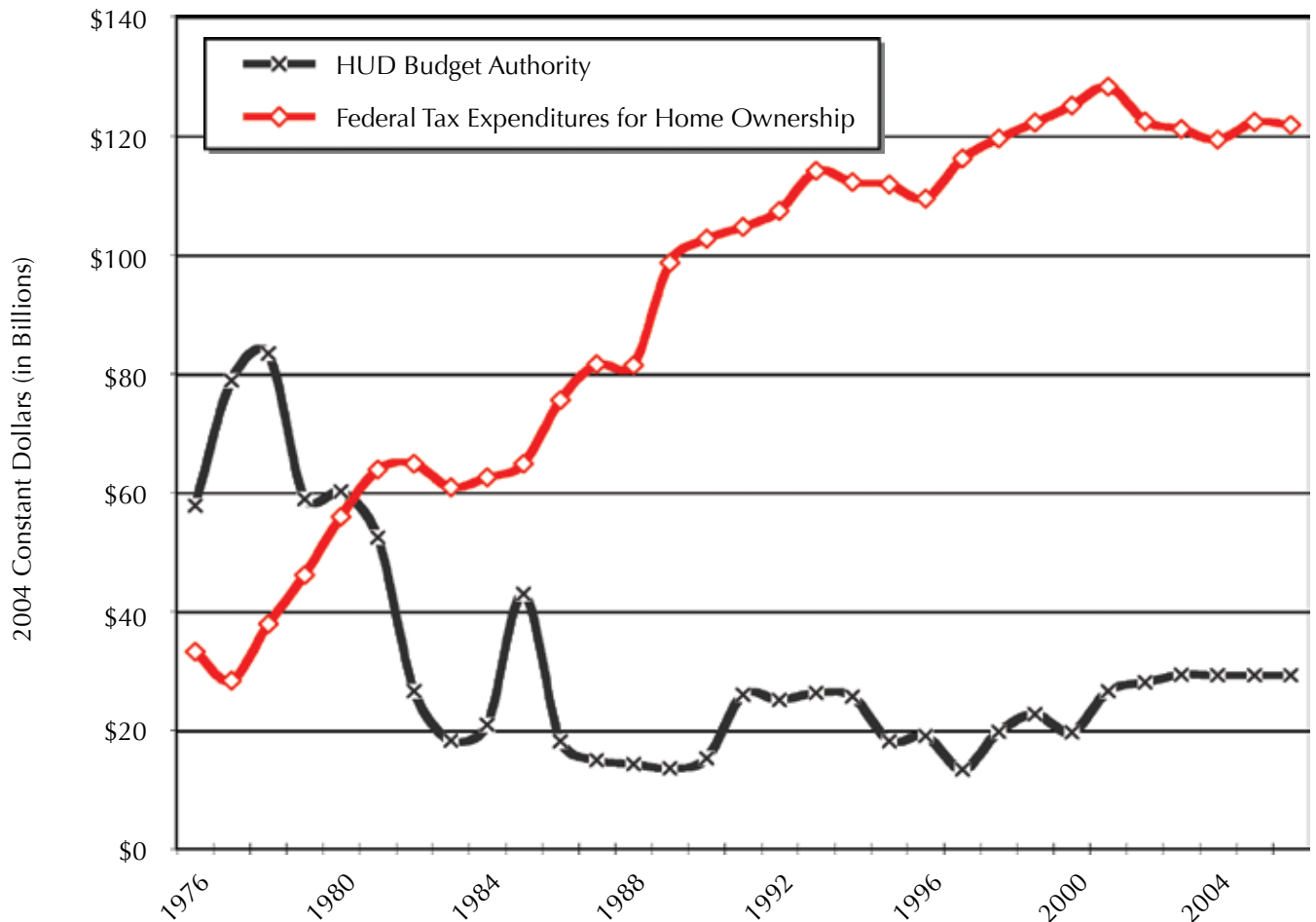
Housing Welfare for the Well-Off

Over the last quarter century, as federal military spending increased enormously, tax write-offs for wealthy individuals and corporations also grew, and the national gap between rich and poor rapidly expanded. In the United States, the gap between rich and poor is larger than in any other advanced industrial nation.⁹⁹ In 2002, the wealthiest fifth of the US population received 50% of the total national income, while the poorest fifth received only 3.5% of the total.¹⁰⁰ In the last 25 years, the income of the wealthiest 1% of the population grew at ten times the rate that the median family income grew. In the United States, 37 million people live in poverty – at 12.7% of the population, this is the highest poverty rate in the entire developed world.¹⁰¹ Yet, as the gap between rich and poor has increased, the federal government has chosen to reduce the tax burden on the wealthy. Since 1980, taxes on the wealthiest 0.01% of households have fallen by 25%.¹⁰²

Government subsidization of homeownership is one of the many ways by which wealthy people in the United States reduce their tax burden. The mortgage interest deduction for homeowners is the second largest single break in the entire tax code and the wealthy receive the bulk of this benefit.¹⁰³ A recent bipartisan presidential advisory panel on taxation found that over 70% of tax filers received no benefit from mortgage interest deductions, and only 54% of taxpayers who pay interest on their mortgages received this tax benefit. More than 55% of the federal expenditures under this program went to 12% of taxpayers with incomes greater than \$100,000 – often to finance luxury or second homes.¹⁰⁴ The presidential panel found that these mortgage interest breaks, which allow for deductions on mortgages up to one million dollars for first or second homes, exceed what is necessary to encourage increased homeownership in society or to help people buy a first home. These tax breaks elevate the cost of housing, and the biggest beneficiaries may actually be banks and real estate corporations that make their largest profits on high-end housing.¹⁰⁵

Every year since 1981, tax benefits for homeownership have been greater than HUD's entire budget and have dwarfed direct expenditures for programs that benefit low-income renters.¹⁰⁶ The following chart compares the decline in HUD's budget authority to the increase in federal tax expenditures for home ownership (including mortgage interest deductions and other related homeownership tax breaks).

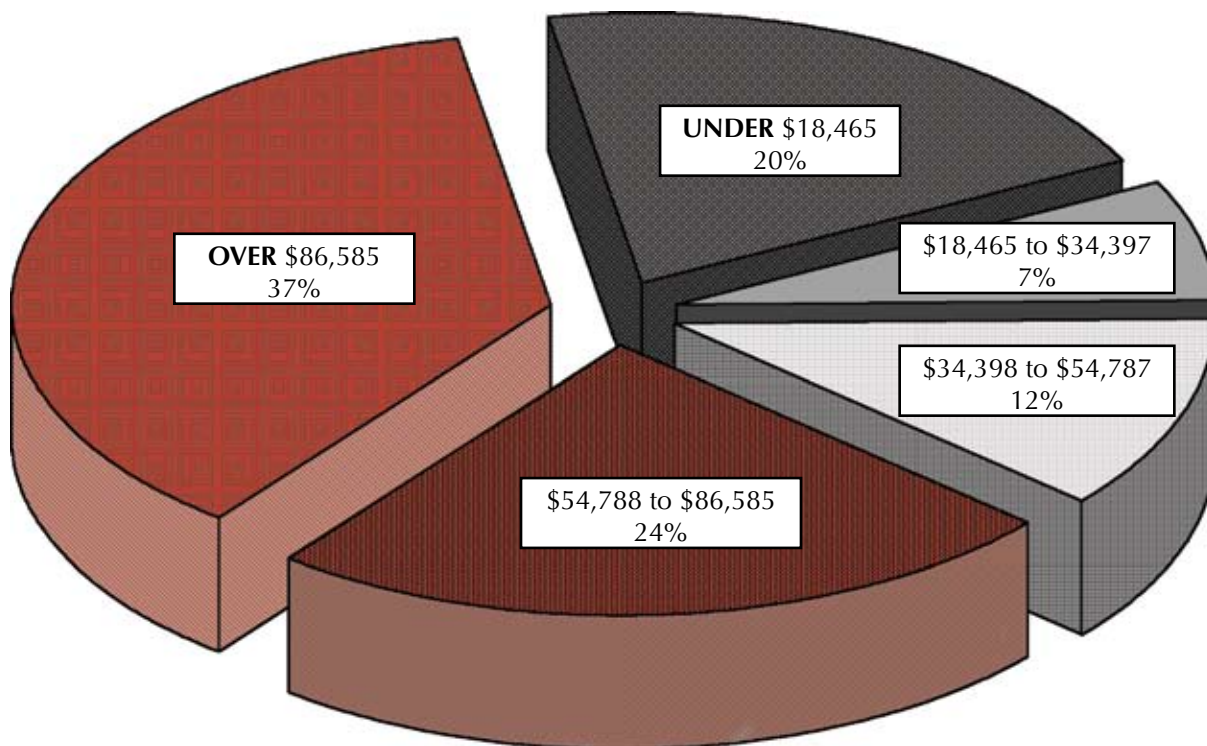
Chart 7: Comparison of Federal Tax Expenditures on Home Ownership and HUD Budget Authority¹⁰⁷



In principle, federal assistance for home ownership is a valid and valuable activity. But as property prices skyrocket and inequality grows, achieving the “American Dream” is becoming more and more difficult. The middle class is shrinking, and middle-income neighborhoods, where families earn 80 to 120 percent of the local median income, are rapidly disappearing.¹⁰⁸ Both poor neighborhoods with inadequate housing stock and rich neighborhoods with heavily subsidized mansions are becoming more prevalent, as residential communities are increasingly segregated according to extremes of income. Federal housing assistance programs designed to promote fairness, opportunity, and increased homeownership rates amongst low- and moderate-income people are needed to address the problems of housing inequality and segregation. But instead, they have favored corporations and wealthy households, even as the American Dream has become an American Nightmare for the poorest members of our society.

In their struggle for survival, when poor and homeless people do find a little help in the form of government assistance, the government often mandates that they repay the community for this “charity” by performing street sweeping or other free public works labor.¹⁰⁹ Such work requirements, however, are never placed on homeowners or corporations who receive government benefits far greater than poor people do. When we consider the full scope of all federal housing subsidies – including rental subsidies, public housing units, and homeownership subsidies – we find that most federal housing assistance is actually directed toward households earning incomes greater than \$50,000 per year. The chart below displays the percentage of overall housing subsidies spent on each of five income groups.

Chart 8: Percentage of Federal Housing Subsidies by Income (2004)¹¹⁰



As documented above, the federal government has not stopped spending money, nor has it stopped spending money on housing. What it *has* done is choose to spend massive amounts on militarization and corporate welfare rather than on affordable housing. It has also chosen to disproportionately allocate the money it *is* spending on housing to those least in need of federal housing assistance. The one-two punch of these trade-offs has more to do with causing contemporary mass homelessness than any individual biographical factor targeted by an endless parade of reports, policy flavors, plans and initiatives.

Conclusion

Working Together for Human Rights in the United States

The evidence documented in this report leads to the conclusion that ending homelessness in the United States will require a massive re-commitment by the federal government to create, subsidize, and maintain affordable housing. The claim that affordable housing is the primary solution to homelessness is not a new idea. Throughout the 1980s, the lack of affordable housing was one of the most widely cited explanations of contemporary homelessness.¹¹¹ Yet as we have shown: despite this knowledge, the federal government chose not to develop policies to address the lack of affordable housing; instead, Congress passed the Stewart B. McKinney Homeless Assistance Act of 1987 to meet the emergency needs of the growing number of people becoming homeless throughout the United States. The federal government chose not to take measures that could have resolved homelessness and prevented more people from becoming homeless. Instead, a policy path was chosen which locked us into a system of shelters and emergency services that serve as triage centers for a small percentage of homeless people. Instead of building affordable housing, government agencies, charity foundations, and policy experts worked together to generate “the vicious cycle of homeless policy.” Instead of addressing the structural causes of homelessness, government officials, policy experts, and journalists have engendered a massive “collective deception.” These were not conscious conspiracies, but they have forced communities to focus on a myriad of policy flavors rather than causes and solutions.

One might ask: why is it that, even though ample evidence existed back in the 1980s that homelessness was largely a result of insufficient affordable housing, we chose not to heed this evidence? Why did we choose not to enact systemic policies to redress this problem? The free-market political and ideological climate in Washington DC in the 1980s, followed by the “reinvention of government” and the assault on social welfare in the 1990s, are possible answers to this question. The initial public perception that homelessness was only a temporary emergency, caused by a short-term economic recession, is another. The negative public portrayals of homeless people as deviant, deficient outsiders may also have inhibited the development of real solutions to homelessness.¹¹² Finally, as we have discussed in this report, the endless merry-go-round of target sub-populations, competitive community plans, and policy flavors aimed at fixing broken individuals has distracted us from addressing the root cause of homelessness.

Assisting homeless people to address whatever particular personal challenges they may face is the work of social workers and health care professionals. Fixing the social and structural conditions which give rise to massive rates of homelessness throughout the United States is the work of policymakers and community organizations. Both of these activities must occur. But unless we make a massive commitment to the construction

and subsidization of affordable housing, no matter how many case managers or outreach workers we fund, homelessness will continue to grow. We may alter the face of homelessness or shift its demographics through preferential outreach to particular sub-populations of homeless people, but we will not change the systemic conditions that give rise to housing insecurity and homelessness.

A major effort to build and subsidize affordable housing in the United States will require a substantial long-term national investment. However, it would not necessitate new taxation. Redirecting some of the funds used in the lethal trade-offs discussed in this report could cover the full cost of a universal housing program that would ensure access for all people in the United States in need of affordable housing.

A major effort to generate affordable housing will also require the passage of legislation to regulate private housing markets and ensure that they work for the benefit of all. Regulation need not stamp out enterprise or innovation, but it must guide the economy according to our social values and goals. Under current policies, the housing market is already regulated and subsidized by the federal government. Unfortunately, too much of this regulation benefits the very wealthy at the expense of everyone else, particularly moderate-income, low-income, and homeless people. As part of an effort to end homelessness and poverty, tax subsidy policies and housing regulations can be rewritten to benefit the people most in need. Rather than subsidizing the purchase of luxury homes and expanding the profit margins of banks and real estate corporations, public policy could better assist low- and moderate-income people to afford rentals and to become homeowners.

The first step we must take in our effort to reformulate national priorities and policy is to educate ourselves, our neighbors, and the public about the real causes of – and solutions to – homelessness. We must see through the collective deception surrounding homelessness, a deception that may often cloud even our own vision. If we are to resolve the systemic structural injustices that lead to homelessness, then we must work to create a truly wise and informed public, and a truly democratic political system that counts homeless people equal to and deserving of the same human rights as wealthy people.

We will need to defend the remnants of existing beneficial social policies and programs if they are threatened. We will also need to create new legislation with substantial and bold policy objectives that will fully address the lack of affordable housing. We must engage in this struggle for justice with a sense of courage and compassion in our hearts, and with minds fully educated about the issues of homelessness and housing.

Until we recognize and commit ourselves to the principle that housing is a human right, we will not solve homelessness in the United States. Until we recognize that quality education, economic security, and health care are all essential human rights, we cannot resolve the systemic causes of poverty in the United States. Once we do recognize and

commit – as a nation – to ensuring that all people have a roof over their head, then the legislation, the policies, the funding allocations will follow.

There will, of course, be opposition to the idea that housing is a human right. There will be opposition to the idea that human dignity, human rights, and human well-being are valuable national goals. However, the proposition that the United States can build sufficient affordable housing to meet the demand is not a hopeless dream. It is a reality that is entirely possible if enough of us decide to work together to achieve it.

With this report and its artwork, we hope to help move our nation toward a commitment to house all people in the United States. We hope to help move our nation toward a full recognition of housing as a human right. In our analysis we have emphasized, above all, the importance of federal creation and subsidization of new affordable housing. We emphasize this point both because it is so crucial to resolving homelessness and because it is so often drowned out in homeless policy discussions.

There are many analytical perspectives and factors explaining homelessness that we have not brought as fully into focus in this report. We have spotlighted the class dynamics of homelessness and housing policy, but have only briefly pointed to the dimensions of race, gender, and immigration status. We have focused on the role of affordable housing in addressing homelessness, but have not as frequently mentioned the importance of access to adequate educational opportunities, treatment facilities, health care, living wage jobs, social support, and community safety nets. Ensuring universal housing will not resolve all of the injustices of the world and will not address all of the causes of poverty. However, the primary message of this report is that building adequate affordable housing and ensuring a human right to housing will resolve the contemporary crisis of massive homelessness in the United States.

So how do we work together to make this happen? Over the past two and a half decades we have learned that computer generated fax alerts, e-mail trees, and congressional telephone banks alone have not worked. What we need is person-to-person, locally generated, public education on “Housing as a Human Right” in the United States. We need policy makers to listen to and learn from people who need affordable housing, to listen to and learn from people who have been pushed into homelessness; and we need them to directly address their concerns. We need a movement for justice and dignity that has the wisdom to include low-income and homeless people in its leadership and its base. We need communities throughout the United States to break through the divisive competition that underlies current federal housing and homeless assistance funding applications. We need to work *together* to transform the national structural conditions that create massive homelessness.

What Can I Do?

Educate yourself about homelessness and poverty, human rights, and the connection between lack of affordable housing and homelessness.

Share this report with friends, coworkers, family, and colleagues. Download this document from the WRAP website, print it out, copy it, and pass it around. We are making this document available free-of-charge, with the hope that you will share it.

Hang up one of the posters accompanying this report. Put one in your office, your local coffee shop, book store, restaurant, bar, community center, religious center, or club house. Put one up anywhere that the public can learn from it. Have your friends do the same.

Write letters to the editor of your local paper and to locally elected officials. Demand that they engage in the struggle for greater respect of the human rights of all people by our federal government, by the positions they take on specific federal legislation and policies regarding affordable housing and homelessness. If you are a policy maker, a politician, or a candidate, make “Housing Is a Human Right” a plank of your own political platform and support the creation and subsidization of affordable housing.

Check to see which of your local homeless service programs are also speaking out about the systemic causes of homelessness, and energetically support those programs that have the courage to take that risk.

Support and volunteer with community organizations working to address the systemic causes of homelessness, or to end poverty and social injustice. In the final section of this report we provide a list of some national organizations with which you may want to become involved (there are many righteous organizations out there – these are just a few of them). If you can’t find a local organization through them, you can always contact WRAP for assistance in starting one in your community.

Inform your schools about the role of government policies in creating homelessness, about how the absence of affordable housing *creates* homelessness. Set up an educational workshop; tell your students about these policies. Bring this issue into assemblies, community meetings, classrooms, and academic conferences; and hold discussions about this report.

Demand documentation from government, media, policy experts, community groups, and anyone else who tries to persuade you that their “paradigm shift” is the one that will end homelessness.

There are hundreds of possible actions that you might take. Whatever actions best suit your situation and your talents, undertake them with an informed mind, a courageous heart, and a compassionate desire for the transformation of the structural conditions that cause mass homelessness. Whatever you do, do it in solidarity with homeless, poor, oppressed, and displaced people everywhere.

And when the struggle to end homelessness, when the struggle for affordable housing and human rights seems difficult or discouraging, remember these words of Mohandas Gandhi:

*“Whatever you do may seem insignificant to you,
but it is most important that you do it.”*

Appendix A - Data Tables

Chart 1: HUD Subsidized Housing Units

Year	Existing Housing	New Construction
1976	213,742	203,046
1977	251,623	140,480
1978	210,527	98,300
1979	257,225	90,375
1980	58,402	129,490
1981	83,520	75,365
1982	37,818	18,018
1983	54,071	-339
1984	78,648	9,619
1985	85,741	16,980
1986	85,476	13,109
1987	72,788	20,192
1988	64,270	19,991
1989	67,653	14,053
1990	61,309	7,428
1991	55,900	13,082
1992	62,008	23,537
1993	50,162	18,715
1994	47,807	17,652
1995	16,904	16,587
1996	7,055	1,438
1997	9,229	12,449
1998	18,376	17,675
1999	16,225	11,060
2000	121,951	8,001
2001	85,720	7,611
2002	25,900	7,635

source:

Congress of the United States (2000). House Ways and Means Committee Prints: 106-14, 2000 Green Book, US Government Printing Office.

Congress of the United States (2004). House Ways and Means Committee Prints: 108-6, 2004 Green Book, US Government Printing Office.

Based upon National Low Income Housing Coalition tabulations of data from the 2000 Green Book, updated using data from the 2004 Green Book.

Chart 2: Rural Affordable Housing Units Created by Section 515 (USDA)

Year	Number of Units
1976	30,175
1977	30,096
1978	35,511
1979	38,650
1980	33,100
1981	29,500
1982	30,616
1983	23,406
1984	29,772
1985	28,218
1986	21,252
1987	17,434
1988	16,489
1989	15,996
1990	16,063
1991	15,396
1992	14,798
1993	14,568
1994	11,542
1995	2,853
1996	1,913
1997	2,468
1998	2,520
1999	2,202
2000	1,709
2001	1,621
2002	2,080
2003	826
2004	902
2005	783

source:

Housing Assistance Council (2005). *Section 515 Rural Rental Housing Program, FY 1963 - FY 2005*, Housing Assistance Council.

Chart 3: HUD Budget Authority and McKinney Homeless Assistance Funding (2004 Constant Dollars, in Millions)

Year	HUD Budget	McKinney Funding
1976	\$57,729	\$0
1977	\$78,741	\$0
1978	\$83,310	\$0
1979	\$58,901	\$0
1980	\$60,096	\$0
1981	\$52,382	\$0
1982	\$26,529	\$0
1983	\$18,189	\$0
1984	\$20,915	\$0
1985	\$42,889	\$0
1986	\$18,134	\$0
1987	\$14,942	\$88
1988	\$14,259	\$103
1989	\$13,566	\$174
1990	\$15,286	\$378
1991	\$25,940	\$432
1992	\$25,099	\$554
1993	\$26,253	\$687
1994	\$25,657	\$969
1995	\$18,178	\$1,288
1996	\$19,058	\$925
1997	\$13,367	\$906
1998	\$19,702	\$895
1999	\$22,646	\$1,043
2000	\$19,597	\$1,063
2001	\$26,564	\$1,044
2002	\$28,038	\$1,123
2003	\$29,327	\$1,130
2004	\$29,231	\$1,257
2005	\$29,228	\$1,241

source:

Executive Office of the President, Office of Management and Budget (nd), *Public Budget Database*, available: <http://www.whitehouse.gov/omb/budget/>.

Chart 4: Comparison of Funding for McKinney, HOPE VI, and NEW Public Housing * (2004 Constant Dollars, in Millions)

Year	McKinney	HOPE VI	Public Housing
1977	\$0	\$0	\$8,001
1978	\$0	\$0	\$16,021
1979	\$0	\$0	\$13,352
1980	\$0	\$0	\$7,595
1981	\$0	\$0	\$7,903
1982	\$0	\$0	\$2,163
1983	\$0	\$0	\$0
1984	\$0	\$0	\$1,433
1985	\$0	\$0	\$1,457
1986	\$0	\$0	\$1,212
1987	\$88	\$0	\$734
1988	\$103	\$0	\$817
1989	\$174	\$0	\$524
1990	\$378	\$0	\$33
1991	\$432	\$0	\$1,383
1992	\$554	\$0	\$755
1993	\$687	\$361	\$386
1994	\$969	\$200	\$484
1995	\$1,288	\$591	\$382
1996	\$925	\$539	\$0
1997	\$906	\$605	\$0
1998	\$895	\$598	\$0
1999	\$1,043	\$669	\$0
2000	\$1,063	\$599	\$0
2001	\$1,044	\$586	\$0
2002	\$1,123	\$574	\$0
2003	\$1,106	\$562	\$0
2004	\$1,260	\$149	\$0
2005	\$1,240	\$143	\$0

* Figures for public housing are for construction of NEW units, not for operating or capital expenses

source:

Executive Office of the President, Office of Management and Budget (nd), *Public Budget Database*, available: <http://www.whitehouse.gov/omb/budget/>.

Chart 5: Comparison of Total Federal Outlays and HUD Outlays (2004 Constant Dollars, in Billions)

Year	Total Federal Outlays	HUD Outlays
1976	\$980,130	\$18,522
1977	\$1,003,416	\$14,241
1978	\$1,052,724	\$17,555
1979	\$1,069,818	\$19,570
1980	\$1,151,919	\$24,824
1981	\$1,205,212	\$26,441
1982	\$1,238,462	\$25,296
1983	\$1,285,922	\$25,156
1984	\$1,306,909	\$25,564
1985	\$1,405,533	\$42,652
1986	\$1,436,338	\$20,504
1987	\$1,417,172	\$21,853
1988	\$1,454,775	\$25,881
1989	\$1,505,128	\$25,900
1990	\$1,589,472	\$25,578
1991	\$1,616,838	\$27,775
1992	\$1,643,743	\$29,111
1993	\$1,637,753	\$29,259
1994	\$1,662,693	\$29,395
1995	\$1,687,459	\$32,332
1996	\$1,703,208	\$27,543
1997	\$1,714,212	\$29,468
1998	\$1,744,352	\$31,905
1999	\$1,772,721	\$34,073
2000	\$1,829,822	\$31,483
2001	\$1,856,238	\$37,299
2002	\$1,920,272	\$34,076
2003	\$1,934,343	\$33,466
2004	\$1,951,382	\$31,453
2005	\$1,995,926	\$30,784

source:

Executive Office of the President, Office of Management and Budget (nd), *Public Budget Database*, available: <http://www.whitehouse.gov/omb/budget/>.

Chart 6: Comparison of Federal Funding Priorities (in Billions of Dollars) *

Item	Amount
One DD(X) "Future Fleet" Destroyer **	\$3.300
All 2005 Public Housing Capital Expenses	\$2.579
Ten F-22 Raptor "Air Dominance" Jets ***	\$3.000
All 2005 Public Housing Operating Expenses	\$2.480
One Virginia Class Attack Submarine ****	\$2.557
All 2005 McKinney Homeless Assistance	\$1.241
One Arleigh Burke AEGIS destroyer *****	\$1.167
ALL New Section 8 and Public Housing Units (1996-present)	\$0

* except where noted, figures are from the President's 2007 Budget Proposal

** out of 12 requested

*** out of 179 requested

**** out of 30 requested (there are currently more than 50 Los Angeles Class attack submarines with comparable capabilities in the fleet)

***** there are currently 47 Arleigh Burke AEGIS destroyers in the fleet, and Congress has authorized and allocated funding for 14 more by 2010

source:

Data compiled from:

Executive Office of the President, Office of Management and Budget (2006). Budget documents related to the President's FY2007 Budget.

Executive Office of the President, Office of Management and Budget (nd), *Public Budget Database*, available:

<http://www.whitehouse.gov/omb/budget/>.

GlobalSecurity.org (nd): <http://www.globalsecurity.org/>.

Chart 7: Comparison of HUD Budget Authority and Federal Tax Expenditures on Home Ownership *

Year	HUD Budget	Tax Expenditures
1976	\$57.729	\$33.159
1977	\$78.741	\$28.343
1978	\$83.310	\$37.825
1979	\$58.901	\$46.113
1980	\$60.096	\$55.888
1981	\$52.382	\$63.778
1982	\$26.529	\$64.815
1983	\$18.189	\$60.822
1984	\$20.915	\$62.560
1985	\$42.889	\$64.767
1986	\$18.134	\$75.461
1987	\$14.942	\$81.555
1988	\$14.259	\$81.345
1989	\$13.566	\$98.565
1990	\$15.286	\$102.688
1991	\$25.940	\$104.675
1992	\$25.099	\$107.310
1993	\$26.253	\$114.078
1994	\$25.657	\$112.138
1995	\$18.178	\$111.741
1996	\$19.058	\$109.354
1997	\$13.367	\$116.155
1998	\$19.702	\$119.512
1999	\$22.646	\$122.136
2000	\$19.597	\$125.058
2001	\$26.564	\$128.161
2002	\$28.038	\$122.349
2003	\$29.327	\$121.114
2004	\$29.231	\$119.330
2005	\$29.228	\$122.304
2006 (est)	\$29.243	\$121.744

* 2004 Constant Dollars, in Billions

source:

Executive Office of the President, Office of Management and Budget (nd), *Public Budget Database*, available:

<http://www.whitehouse.gov/omb/budget/>.

Chart 8: Percentage of Federal Housing Subsidies by Income (2004)

Income	Percent of Housing Subsidies
UNDER \$18,465 *	20.30%
\$18,465 to \$34,397	7.10%
\$34,398 to \$54,787	11.80%
\$54,788 to \$86,585	24.10%
OVER \$86,585	36.60%

* the 2004 Federal Poverty Threshold for a family of four with 2 minor children was \$19,223

source:

Dolbeare, Cushing N. (2004). *Changing Priorities: The Federal Budget and Assistance 1976 – 2005*, National Low Income Housing Coalition.

Appendix B - National Organizations

This is a very incomplete list of national organizations working on the issues of homelessness and poverty from a systemic perspective. You will find links to other organizations on each of their websites, and we will update the WRAP website with a more complete list of organizations as we are able.

National Policy and Advocacy Council on Homelessness

Southern Regional Office:
916 St. Andrew Street
New Orleans, LA 70130
Tel: (504) 524-8751
Web: www.npach.org
Email: info@npach.org

National Health Care for the Homeless Council

P.O. Box 60427
Nashville TN 37206-0427
Tel: (615) 226-2292
Fax: (615) 226-1656
Web: www.nhchc.org
Email: council@nhchc.org

National Association for the Education of Homeless Children and Youth

P.O. Box 26274
Minneapolis, MN 55426
Tel: (763) 545-0064
Fax: (763) 545-9499
Web: www.naehcy.org
Email: info@naehcy.org

National Coalition for the Homeless

2201 P Street NW
Washington, DC 20037
Tel: (202) 462-4822
Fax: (202) 462-4823
Web: www.nationalhomeless.org
Email: info@nationalhomeless.org

National Law Center on Homelessness and Poverty

1411 K Street NW, Suite 1400
Washington, DC 20005
Tel: (202) 638-2535
Fax: (202) 628-2737
Web: www.nlchp.org

National Low Income Housing Coalition

727 15th Street NW, 6th Floor
Washington, DC 20005
Tel: (202) 662-1530
Fax: (202) 393-1973
Web: www.nlihc.org
Email: info@nlihc.org

National Student Campaign Against Hunger and Homelessness

233 North Pleasant Street, Suite 32
Amherst, MA 01002
Tel: (413) 253-6417
Fax: (413) 256-6435
Web: www.studentsagainsthunger.org
Email: info@studentsagainsthunger.org

Housing Assistance Council

1025 Vermont Ave., N.W. Suite 606
Washington, DC 20005
Tel: (202) 842-8600
Fax: (202) 347-3441
Web: www.ruralhome.org
Email: hac@ruralhome.org

National Alliance of HUD Tenants

42 Seaverns Avenue
Boston, MA 02130
Tel: (617) 267-9564
Fax: (617) 522-4857
Web: www.saveourhomes.org
Email: naht@saveourhomes.org

National Coalition for Homeless Veterans

333½ Pennsylvania Avenue, SE
Washington, DC 20003-1148
Toll Free: 800-VET-HELP
Tel: (202) 546-1969
Fax: (202) 546-2063
Web: www.nchv.org
Email: nchv@nchv.org

National Network for Youth

1319 F Street NW, Suite 401
Washington, DC 20004-1106
Tel: (202) 783-7949
Fax: (202) 783-7955
Web: www.nn4youth.org
Email: info@nn4youth.org

Poverty & Race Research Action Council

1015 15th Street NW, Suite 400
Washington, DC 20005
Tel: (202) 906-8023
Fax: (202) 842-2885
Web: www.prrac.org
Email: info@prrac.org

National Housing Institute

460 Bloomfield Avenue, Suite 211
Montclair, NJ 07042-3552
Tel: (973) 509-2888
Fax: (973) 509-8005
Web: www.nhi.org

National Economic and Social Rights Initiative

90 John Street, Suite 308
New York, NY 10038
Tel: (212) 253-1710
Web: www.nesri.org

Center for Economic and Social Rights

162 Montague Street, 3rd Floor
Brooklyn, NY 11201
Tel: (718) 237-9145
Fax: (718) 237-9147
Web: www.cesr.org
Email: rights@cesr.org

Appendix C – Endnotes

¹ Executive Office of the President, Office of Management and Budget (nd). *infra* note 76.

² *Ibid.*

³ The Emergency Food and Shelter National Board Program was created by Congress in 1983. While there is no single source that we could find documenting the mass opening of homeless shelters across the country in 1983, a simple web search reveals that many still-operating shelters opened their doors in that year.

⁴ National Law Center on Homelessness & Poverty (2003). *infra* note 42.

⁵ Executive Office of the President, Office of Management and Budget (nd). *infra* note 76.

⁶ Congress of the United States. *infra* note 51.

⁷ Housing Assistance Council (2005). *infra* note 59.

⁸ *Ibid.*

⁹ Joint Center for Housing Studies of Harvard University (2006). *America's Rental Housing: Homes for a Diverse Nation*, Cambridge, MA: Harvard University.

Joint Center for Housing Studies of Harvard University (2006). *infra* note 98.

¹⁰ Executive Office of the President, Office of Management and Budget (nd). *infra* note 76.

¹¹ US Department of Housing and Urban Development.s

¹² US Interagency Council on Homelessness (nd). *List of 10-Year Plan Communities*, Retrieved Sep 6, 2006 from: <http://www.ich.gov/slocal/plans/10-year-plan-communities.pdf>.

¹³ US Interagency Council on Homelessness (nd). *infra* note 84.

¹⁴ Goldstein (2004). *infra* note 47.

Baker (2005). *infra* note 47.

Murray (2006). *infra* note 47.

¹⁵ Congress of the United States (2002). *infra* note 28.

¹⁶ Executive Office of the President, Office of Management and Budget (nd). *infra* note 76.

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Appendix D - Artwork and Full-size Charts

The artwork in this appendix is available for purchase in full-size poster versions. Please check our website for details: <http://wraphome.org>.

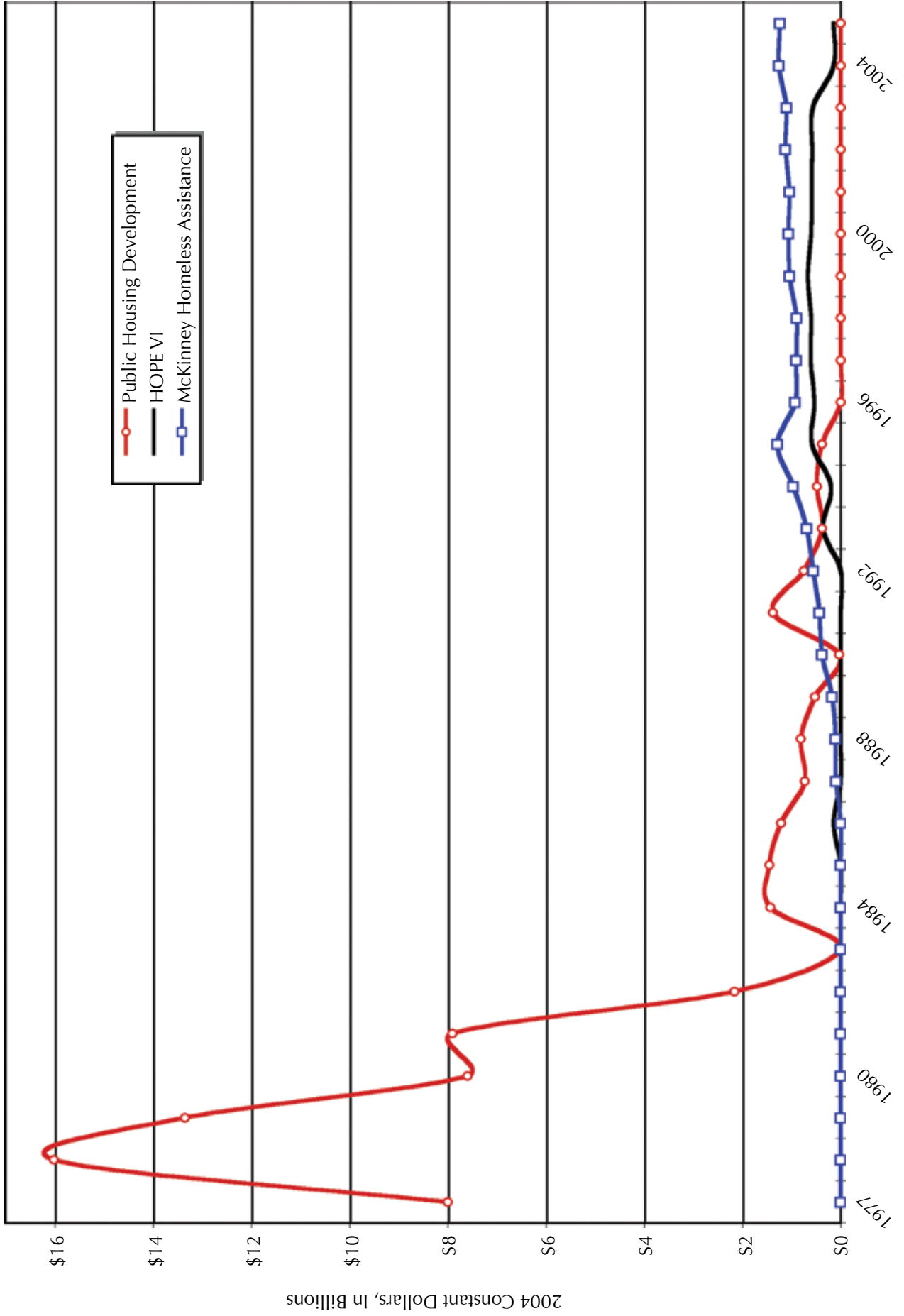
“One man, one family driven from the land; this rusty car creaking along the highway to the west. I lost my land, a single tractor took my land. I am alone and I am bewildered. And in the night one family camps in a ditch and another family pulls in and the tents come out. The two men squat on their hams and the women and children listen. Here is the node, you who hate change and fear revolution. Keep these two squatting men apart; make them hate, fear, suspect each other. Here is the anlage of the thing you fear. This is the zygote. For here ‘I lost my land’ is changed; a cell is split and from its splitting grows the thing you hate – ‘WE lost OUR land.’ The danger is here, for two men are not as lonely and perplexed as one. And from this first ‘we’ there grows a still more dangerous thing: ‘I have a little food’ plus ‘I have none.’ If from this problem the sum is ‘We have a little food,’ the thing is on its way, the movement has direction. Only a little multiplication now, and this land, this tractor are ours. The two men squatting in a ditch, the little fire, the side-meat stewing in a single pot, the silent, stone-eyed women; behind, the children listening with their souls to words their minds do not understand. The night draws down. The baby has a cold. Here, take this blanket. It’s wool. It was my mother’s blanket – take it for the baby. This is the thing to bomb. This is the beginning – from ‘I’ to ‘we.’”

John Steinbeck, *The Grapes of Wrath*

- Since 1996, HUD funding for new public housing has been \$0, while over 100,000 units of existing public housing have been lost to demolition, sale, or other removal from the program's rolls.
- Since 2001, the HUD budget for public housing operating expenses has been slashed by \$1 billion; and in 2006, there is an additional \$600 million shortfall in this budget based upon HUD regulatory changes.
- The HOPE VI program – intended to revitalize “severely distressed” public housing – did change many housing projects into much nicer, cleaner, and safer places to live, but it also resulted in the forced displacement of tens of thousands of families and the permanent loss of large amounts of affordable housing.
- With new public housing construction zeroed for a decade; with HOPE VI first causing the loss of many affordable housing units, and now on the verge of being zeroed; very soon the only federal funding for new affordable “housing” will be McKinney *homeless assistance*.

chart source: Executive Office of the President, Office of Management and Budget, *Public Budget Database*

Chart 4: Comparison of Funding for McKinney, HOPE VI, and NEW Public Housing



\$16
BILLIONS

\$14

\$12

\$10

\$8

\$6

\$4

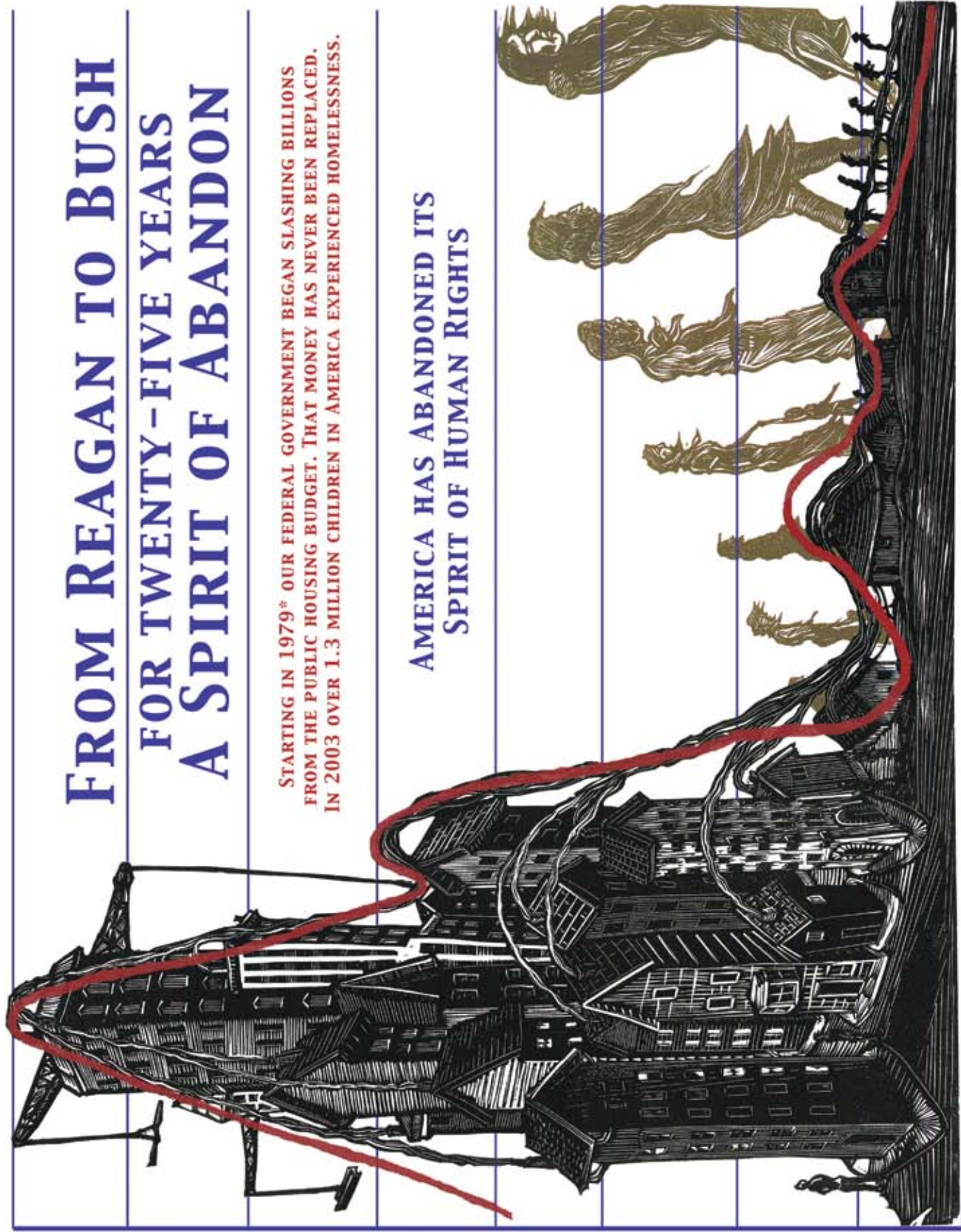
\$2

\$0

FROM REAGAN TO BUSH FOR TWENTY-FIVE YEARS A SPIRIT OF ABANDON

STARTING IN 1979* OUR FEDERAL GOVERNMENT BEGAN SLASHING BILLIONS FROM THE PUBLIC HOUSING BUDGET. THAT MONEY HAS NEVER BEEN REPLACED. IN 2003 OVER 1.3 MILLION CHILDREN IN AMERICA EXPERIENCED HOMELESSNESS.

AMERICA HAS ABANDONED ITS SPIRIT OF HUMAN RIGHTS



*SOURCE: U.S. GOVERNMENT
HUD BUDGET

1977

1979

1983

1997

2003

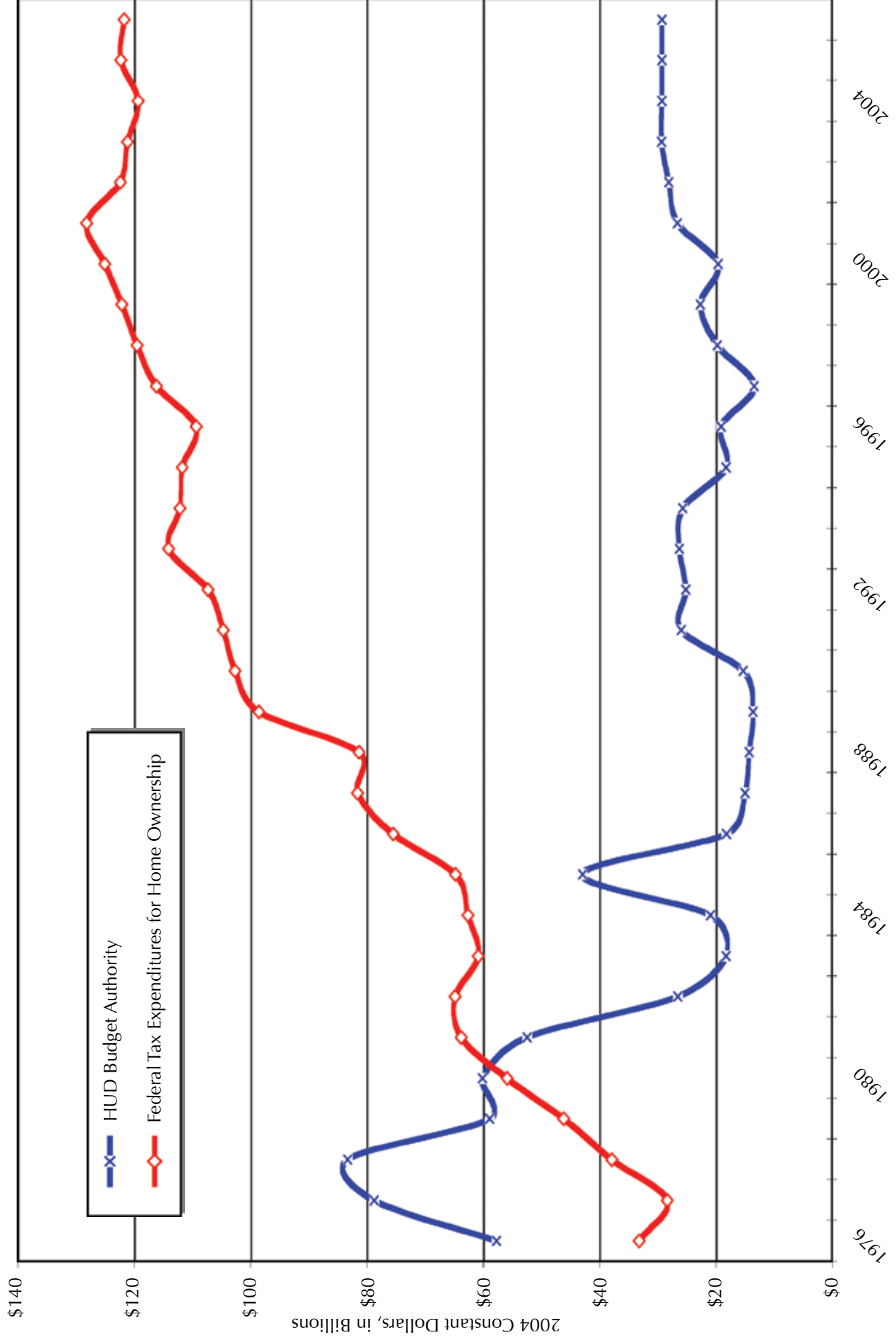
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Art Hazelwood

- Tax expenditures for home ownership and direct housing assistance are both expenses for the federal government. One is tax money spent, the other is tax money not collected. Both are housing subsidy programs paid for by the federal government.
- In 1981, HUD budget authority and federal expenditures on homeownership subsidies were roughly equal, but over the next 25 years, the gap has grown to over \$90 billion – with over \$120 billion spent on homeowner subsidies and less than \$30 billion in HUD budget authority in 2005.
- Although 2005 federal housing subsidies totaled over \$150 billion, more than 80% of those subsidies went to homeowner tax expenditures. The federal government is clearly still subsidizing housing, but has just as clearly shifted its priorities about who gets those subsidies.
- 37 million people live in poverty in the US (12.7% of the population) – this is the highest poverty rate of any developed nation. In 2002 the wealthiest fifth of the population received 50% of total national income, while the poorest fifth received only 3.5%.
- A recent presidential panel found that mortgage interest deductions are the second largest single break in the entire tax code, but that over 70% of all tax filers don't even benefit from this break, and that only 54% of taxpayers with mortgages benefit from it; 55% of this benefit went to 12% of taxpayers earning over \$100,000, often to finance luxury or second homes.
- Poor and homeless people receiving government assistance are often required to sweep streets or perform other public works labor, but such work requirements are never placed upon those receiving tax subsidies for home ownership.

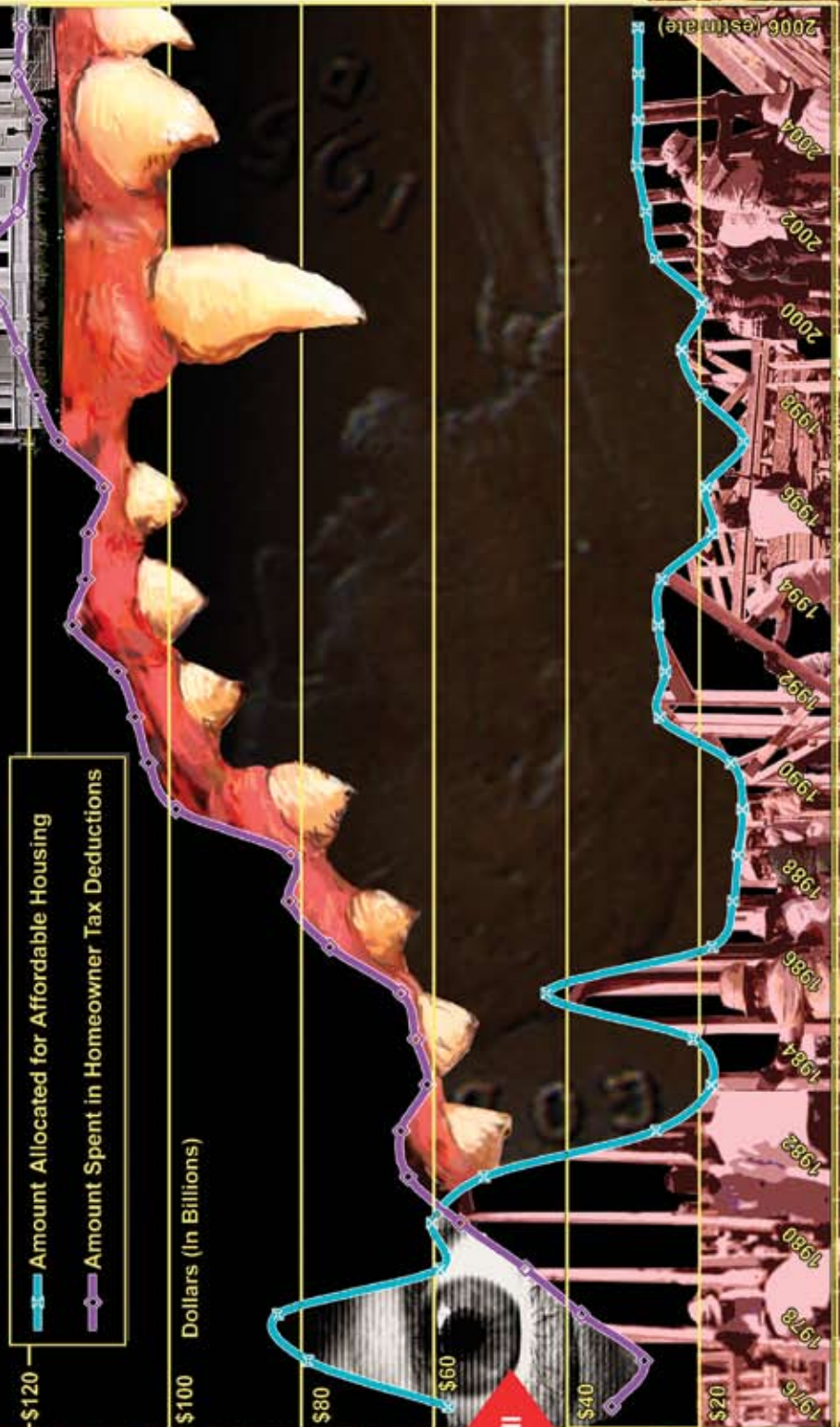
chart source: Executive Office of the President, Office of Management and Budget, *Public Budget Database*

Chart 7: Comparison of Federal Tax Expenditures on Home Ownership and HUD Budget Authority





Federal Expenditures on Housing for Homeowners vs. Affordable Housing Assistance



Housing for All

W.R.A.P.
Western Regional Advocacy Project

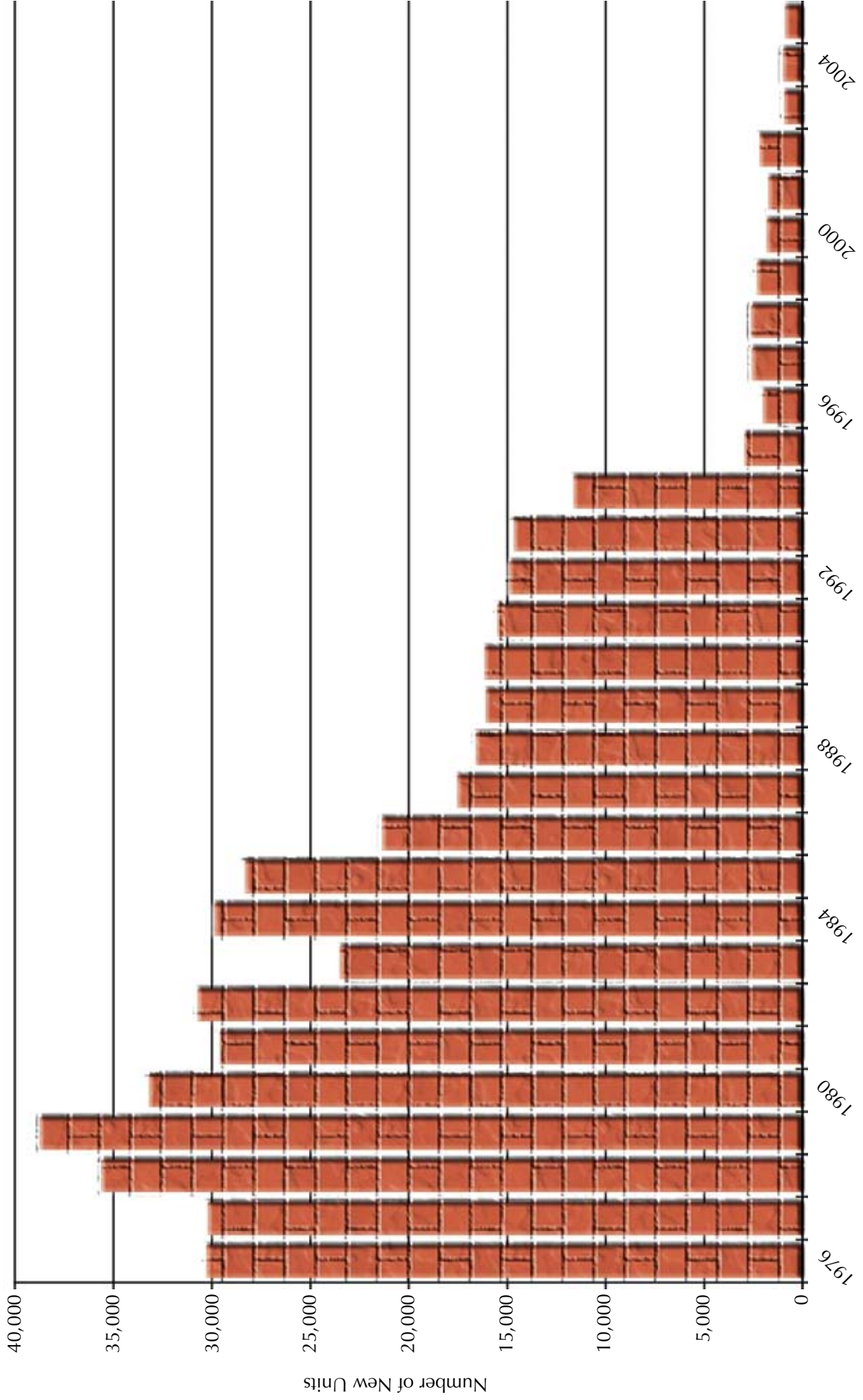
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Jos Sances

- 7.8 million people in rural areas live in poverty (14.6% of the total rural population).
- Over 2.4 million rural households spend more than 50% of their income on housing.
- From 1976 to 1985, an average of almost 31,000 new rural units were created each year.
- From 1986 to 1995, an average of 14,639 new units were created each year, less than half what was built in the previous decade.
- From 1996 to 2005, average yearly production of new units was 1,702 – less than 6% of the production between 1976 and 1985.

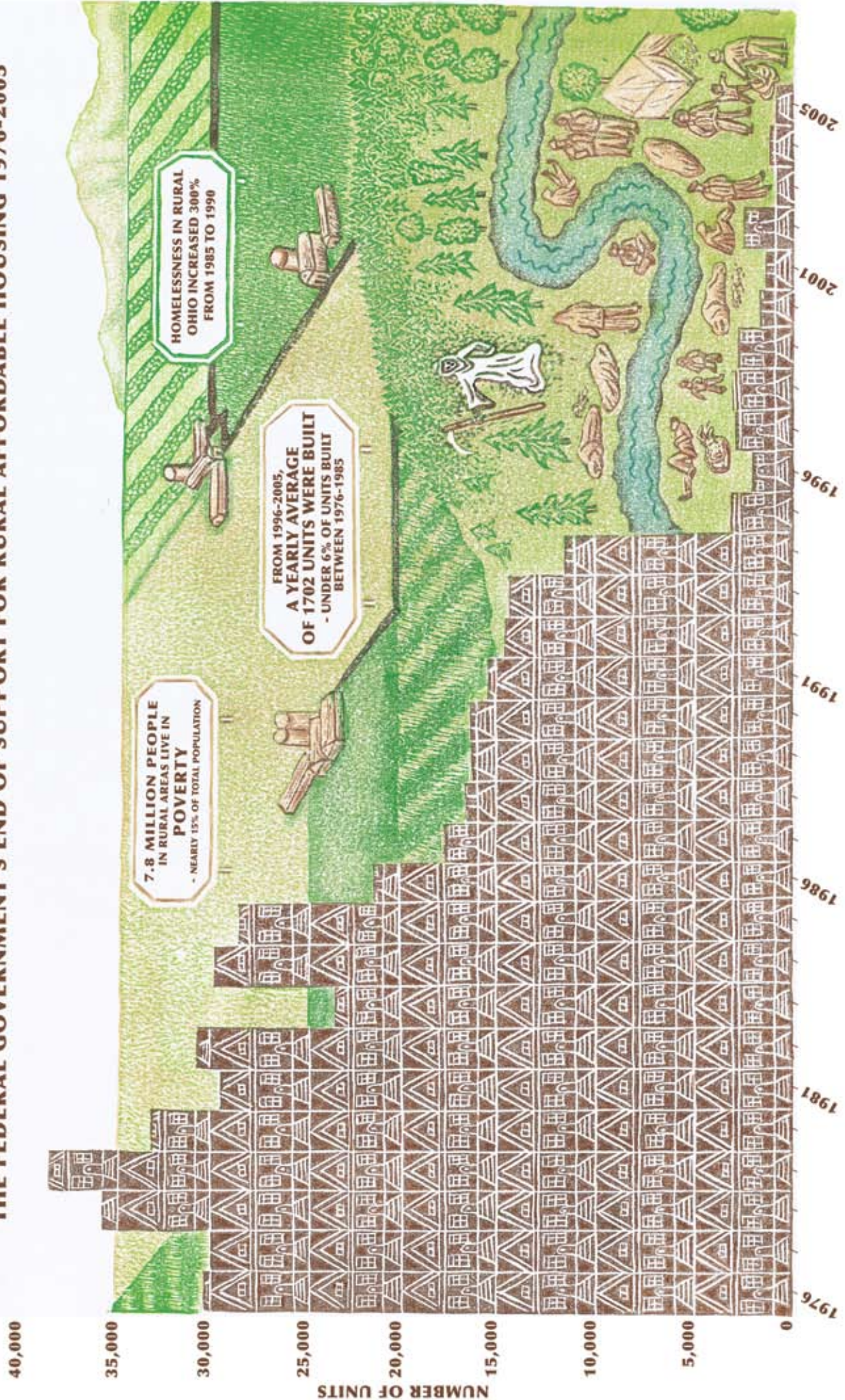
chart source: Housing Assistance Council (2005). *Section 515 Rural Rental Housing Program, FY 1963 - FY 2005*

Chart 2: Rural Affordable Housing Units Created by Section 515



AMERICA'S FORGOTTEN HOMELESS PEOPLE

THE FEDERAL GOVERNMENT'S END OF SUPPORT FOR RURAL AFFORDABLE HOUSING 1976-2005



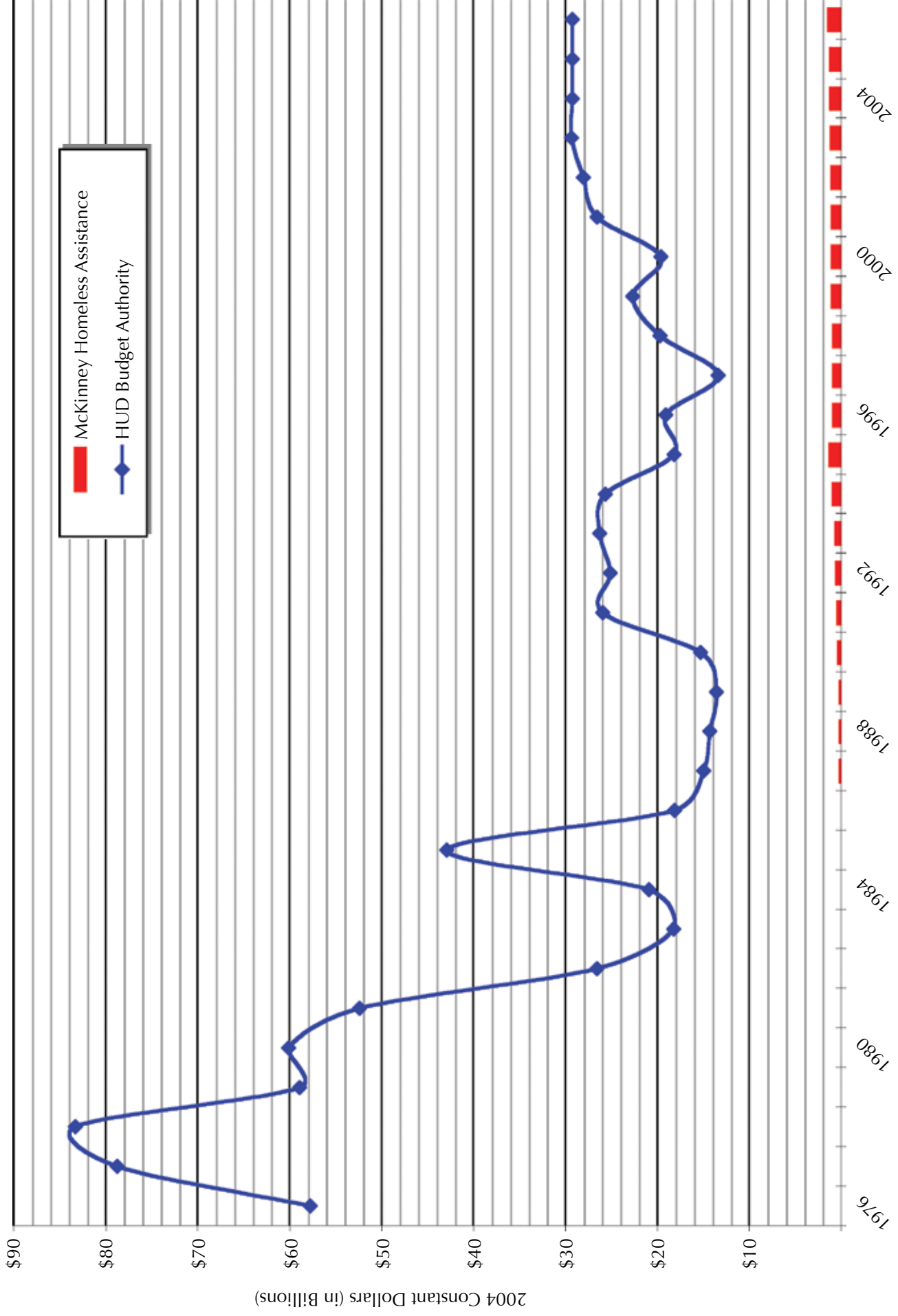
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Ed Gould

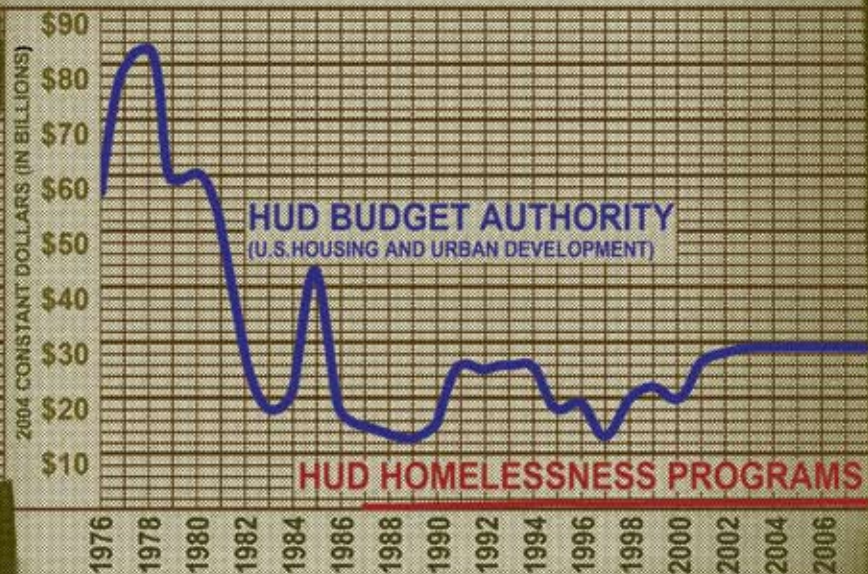
- In 1982 – the same year in which general public emergency shelters for homeless people began opening in major cities – HUD budget authority was almost 50% less than it was in 1976.
- In 1983, HUD's budget was \$18 billion – almost 80% less than it was at its recent history peak in 1978 – and general public emergency shelters were opening in communities all across the country.
- By 1987, the federal government was forced to respond to the national crisis of homelessness with the Stewart B. McKinney Homeless Assistance act.
- Since 1987, Congress has funded HUD homeless assistance at a miniscule level, while refusing to restore cuts to HUD's housing programs.
- The federal government's decision to fund Housing First with HUD *homeless assistance grants* – rather than with HUD *housing programs* – is a timely illustration of ongoing and long-term policies that have dismantled HUD affordable housing and created mass homelessness.

chart source: Executive Office of the President, Office of Management and Budget, *Public Budget Database*

Chart 3: HUD Budget Authority and McKinney Homeless Assistance Funding



HOUSING CRISIS



CONDITION: CRITICAL

The opening of general public emergency shelters in 1983 shows a clear connection between the drop in affordable housing and the birth of modern homelessness. It is the result of the deep cuts shown here. Note the advent of homeless-specific federal assistance in 1987, when the federal government was forced to enact an emergency response to its own failure to maintain a housing safety net. Since that time, Congress has funded HUD homelessness assistance at a miniscule level, while refusing to restore cuts to the larger affordable housing programs.

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Claude Moller

- Federal spending has more than doubled since 1976, to more than TWO TRILLION DOLLARS, while HUD spending has been flat-lined for years.
- Though HUD's outlays have remained relatively constant, spending on public housing has been zero since 1996, homeless assistance spending has been miniscule, and public housing operating expense funding has been cut by \$1 billion since 2001.

chart source: Executive Office of the President, Office of Management and Budget, *Public Budget Database*

Chart 5: Comparison of Total Federal Outlays and HUD Outlays

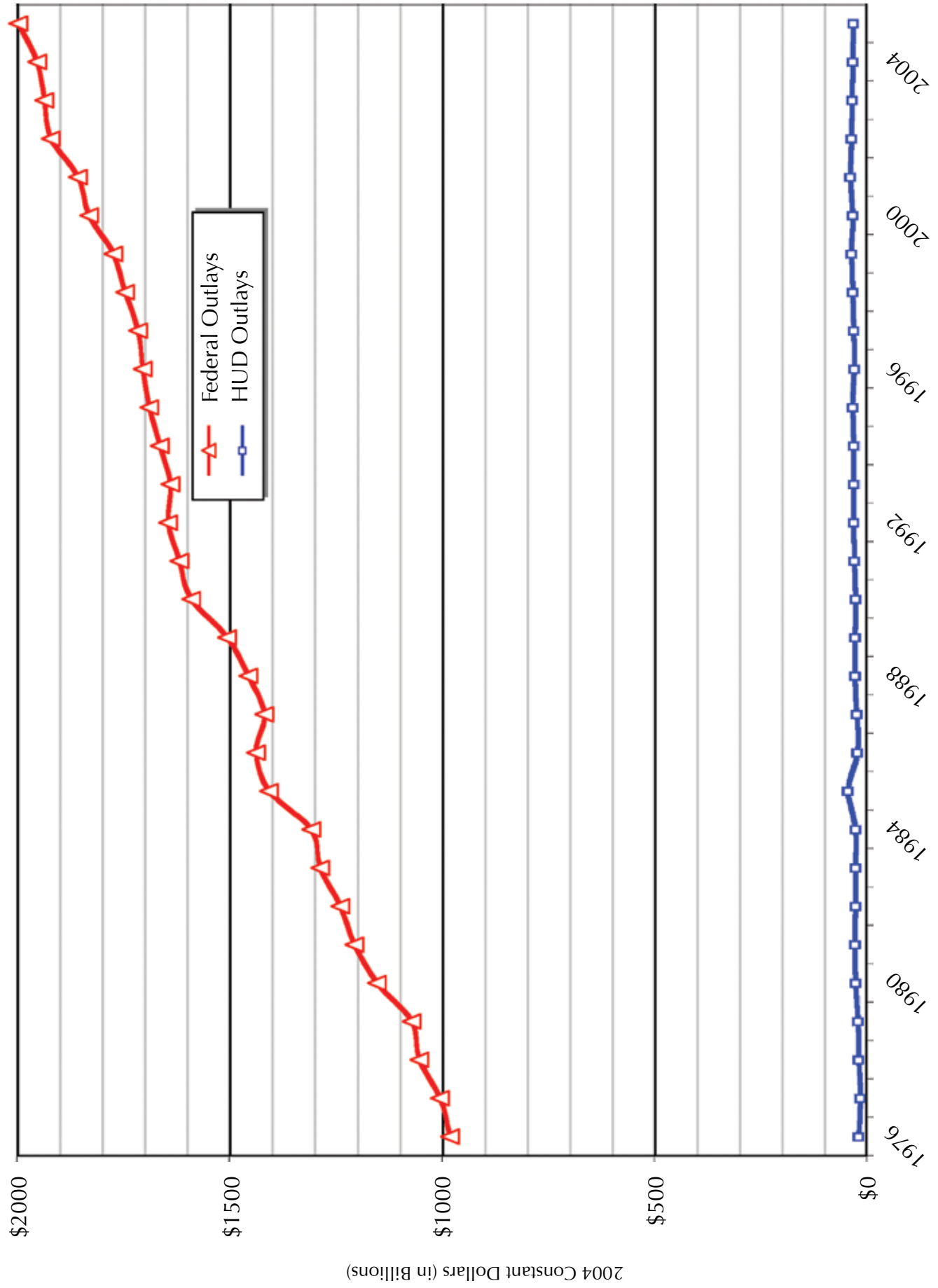
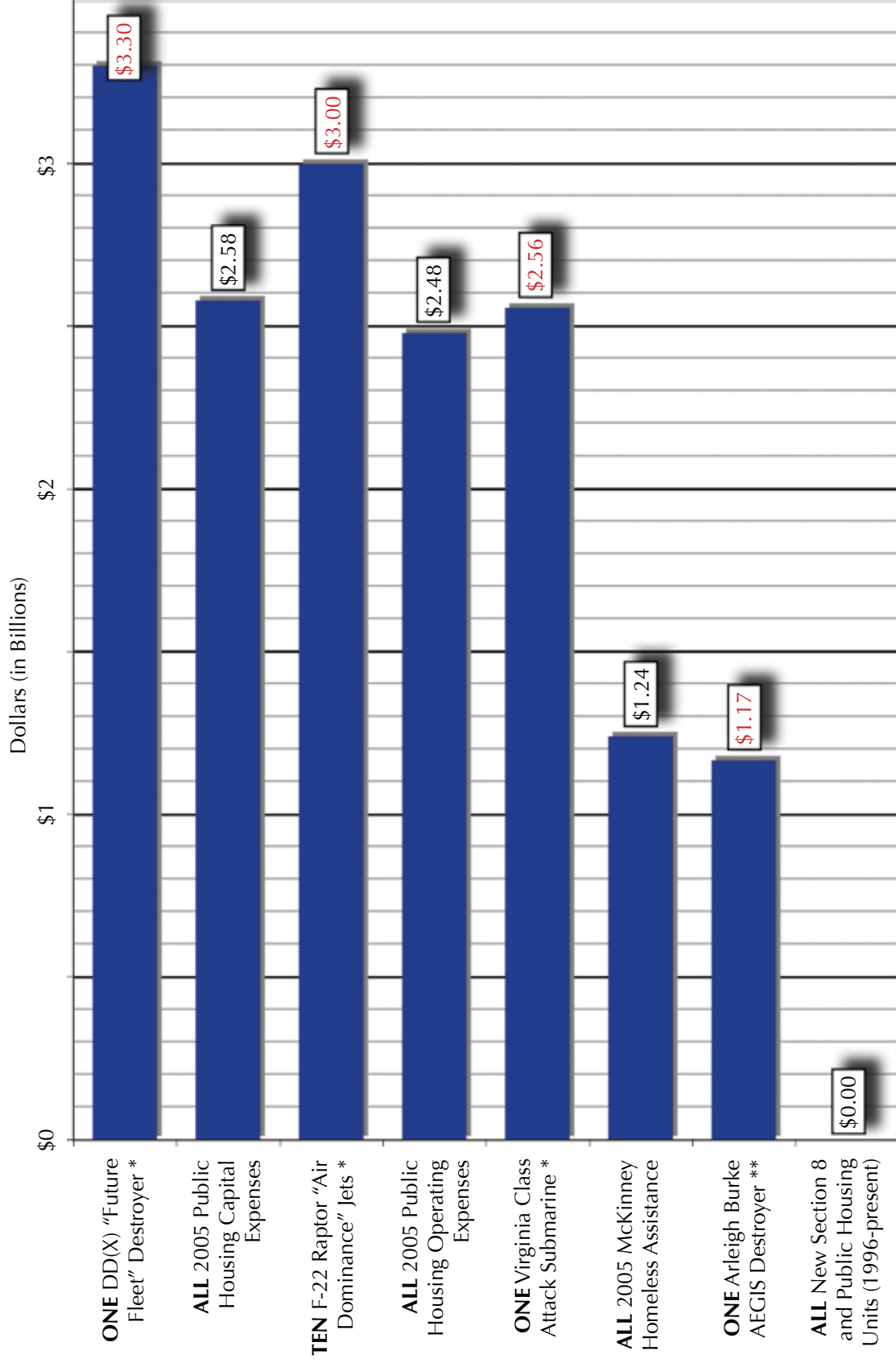


Chart 6: Comparison of Federal Funding Priorities *



* figures are from the President's FY2007 Budget Proposal
 ** there are 47 Arleigh Burke AEGIS destroyers in the fleet, and 14 more authorized

- In 2005, more than half of all federal outlays were spent on militarization, while only 1.5% of those outlays were spent on HUD – a clear sign of the federal government’s priorities.
- The US Navy has over 180 warships and submarines and over 2300 aircraft in its fleet, and is the most powerful naval force on the planet. With its destroyers alone, the Navy could simultaneously blow up the 50 largest cities in the world, without reloading.
- One less submarine (out of 30 requested) could triple federal funding for homeless assistance; one less destroyer (out of 12 requested) and a few less jets (out of 179 requested) could double all public housing funding. How much is too much, and how much is just not enough?

chart data compiled from:

Executive Office of the President, Office of Management and Budget (2006). Budget documents related to the President’s FY2007 Budget.

Executive Office of the President, Office of Management and Budget, *Public Budget Database*.

GlobalSecurity.org: <http://www.globalsecurity.org/>.

- Since 1996, HUD funding for new public housing has been \$0, while over 100,000 units of existing public housing have been lost to demolition, sale, or other removal from the program's rolls.
- Since the early 1980s, HUD subsidy priorities have increasingly focused on continued funding of existing housing over the addition of new units to the nation's affordable housing stock.
- The current trend of zero funding for and commitment to new affordable housing units is inconsistent with the expectation that "Housing First" – as defined by ICH and HUD – be implemented by local communities with McKinney homeless assistance programs, rather than HUD housing programs.
- Between 1976-1982 – a 7-year period - more than 755,000 units of affordable housing were built by the federal government; by comparison, over the next 20 years only 256,000 units were built.

chart source: Congress of the United States (2000). House Ways and Means Committee Prints: 106-14, 2000 Green Book, US Government Printing Office.

Congress of the United States (2004). House Ways and Means Committee Prints: 108-6, 2004 Green Book, US Government Printing Office.

Based upon National Low Income Housing Coalition tabulations of data from the 2000 Green Book, updated using data from the 2004 Green Book.

Chart 1: HUD Subsidized Housing Units

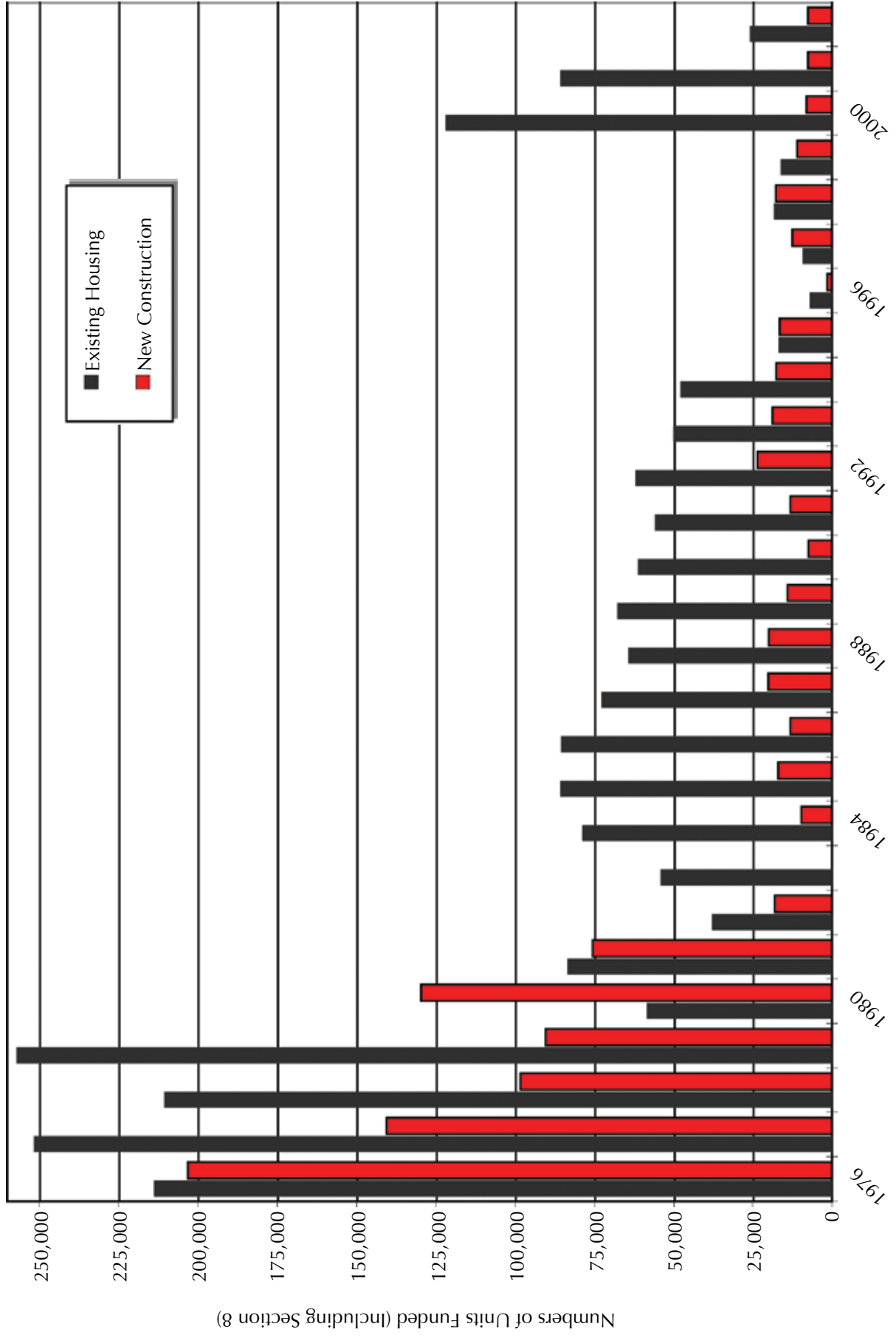
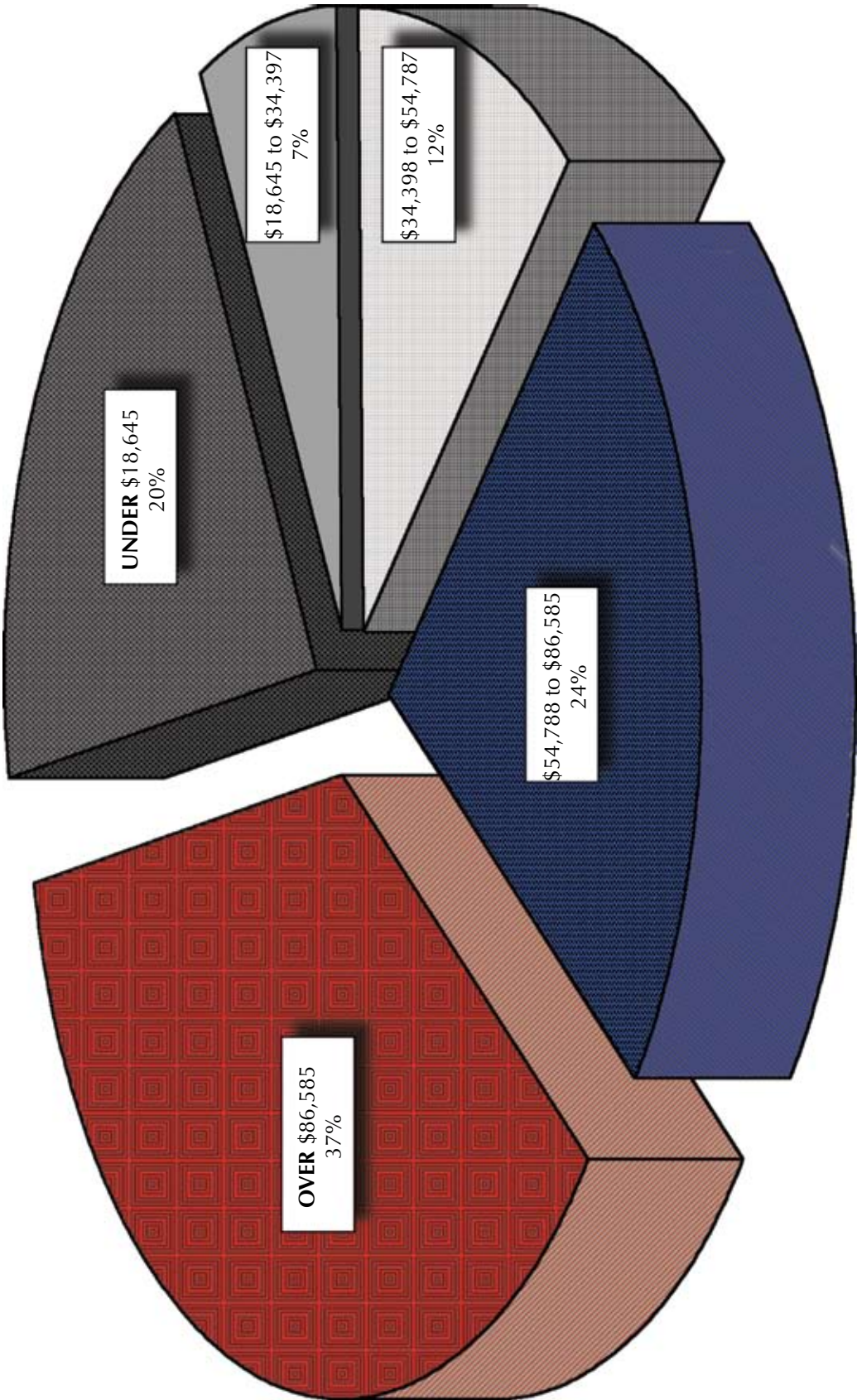


Chart 8: Percentage of Federal Housing Subsidies by Income (2004)

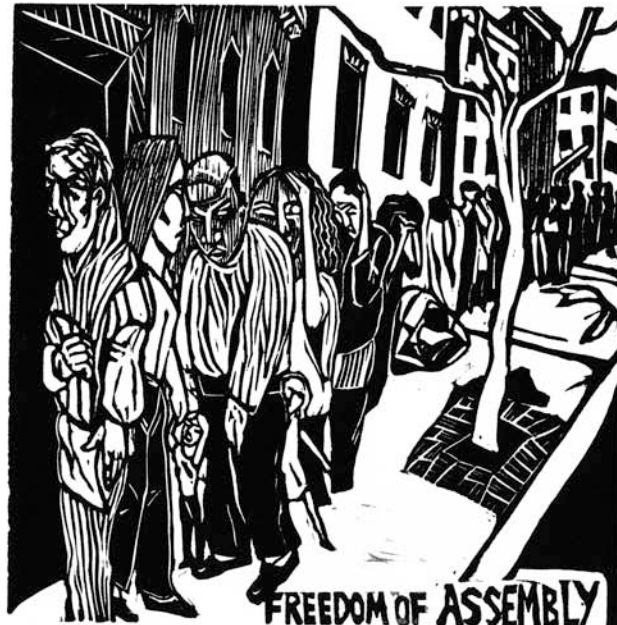


- 61% of all federal housing subsidies went to households whose income levels were represented in only 45% of the population, while only 39% of those subsidies went to households whose income levels were represented in 55% of the total population.
- This chart shows that federal priorities for housing subsidies have no relationship to people's need for those subsidies. The poorest fifth of those who received federal housing assistance accounted for 20% of all subsidies, while 37% went to the wealthiest fifth.
- The poorest fifth of those households receiving housing subsidies earned less than \$18,465, while the 2004 federal poverty threshold for a family of four with 2 minor children was \$19,223.

chart source: Dolbear, Cushing N. (2004). *Changing Priorities: The Federal Budget and Assistance 1976 – 2005*, National Low Income Housing Coalition

There are many, many beautiful people in the world of survival and compassion and brutality and pain that is homelessness and poverty. Maybe it is the yin and yang of life, or maybe it's that challenge really does bring out the best and the worst in people. Anyone who lives and works this life for any sustained period of time will experience true beauty: an unmasked and fearless love that can only come from a person who has truly experienced and examined the depths of their own soul. It's a love for a whole community, that asks for nothing in return and gives simply to keep its own spirit alive. It is a love that gives to all with courage and tenacity. It is a love that speaks to truth.

It is the love of Arnette Watson and Ellen Dailey.



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