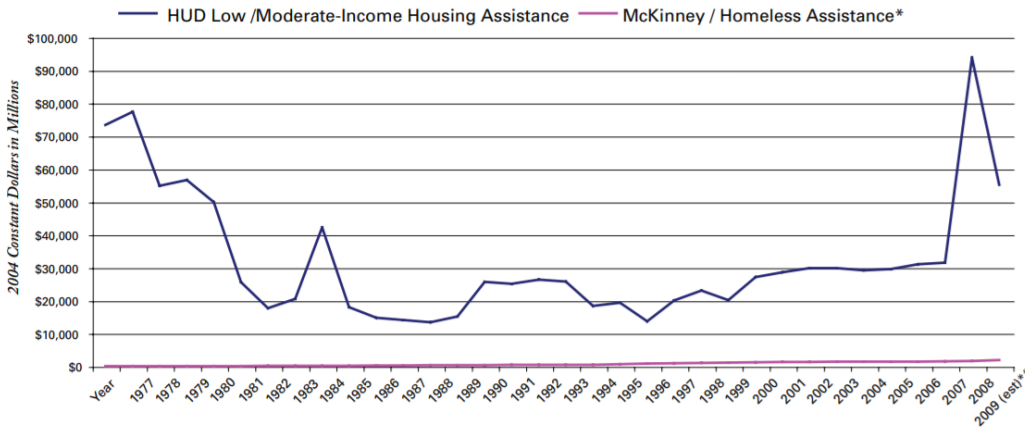


Chart 1: HUD Low/Moderate-Income Housing Budget Authority and McKinney/Homeless Assistance Outlays



*McKinney/ Homeless Assistance includes HUD programs: Supplemental assistance for facilities for the homeless; Homeless Assistance Grants; Emergency shelter grants program; Transitional housing program; Shelter Plus Care; and Permanent Supportive Housing as well as Homeland Security Emergency Food and Shelter program.

**Includes stimulus funding under the American Reinvestment and Recovery Act. (Enacted February 17, 2009.)

Western Regional Advocacy Project: Without Housing

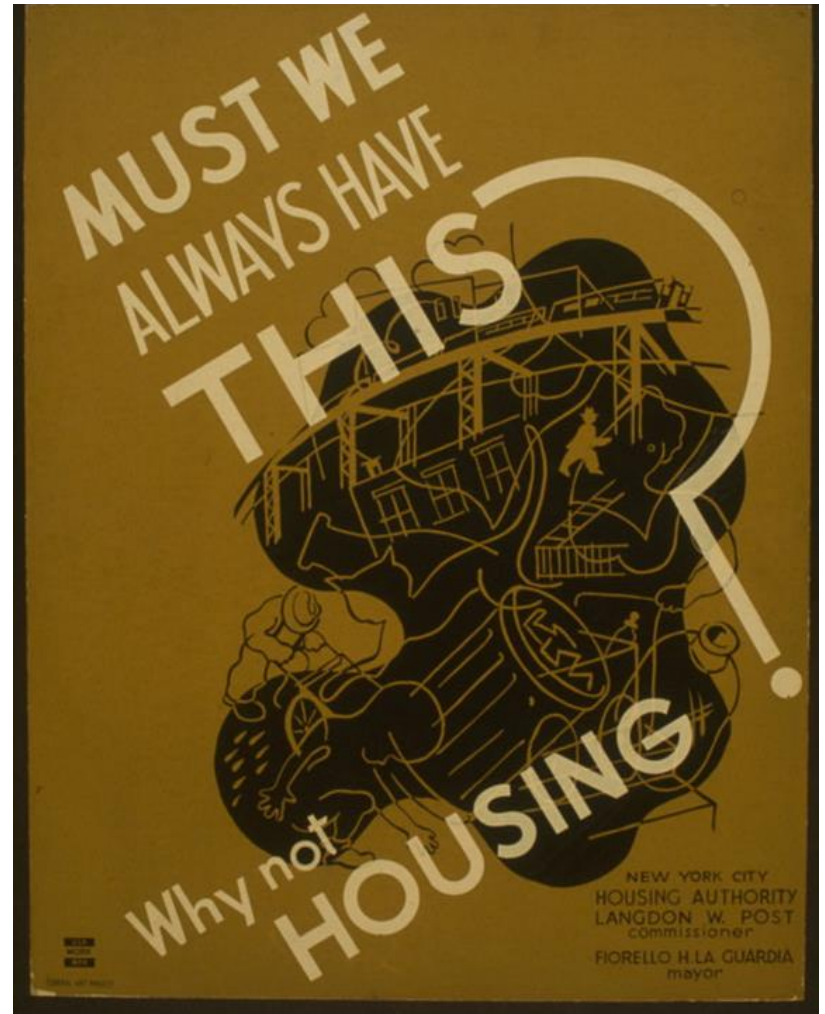
The Vicious Cycle of Homeless Policy



Homelessness ends with a home, Period.

www.homelessunion.org

Why Do We Have Mass Homelessness?



www.homelessunion.org

Picture: Poster Commissioned by the New York Housing Authority in 1936. Through the Works Projects Administration (WPA), the government hired poor and homeless artists to create art that would promote New Deal programs.

In the most basic terms, Mass Homelessness exists because our society is structured in such a way where millions of people don't have enough financial resources to afford rent.

Question: But, was it always like this? And does it have to be like this?

Answer: No. Mass Homelessness is the direct result of over three decades of housing cutbacks, spending priorities and policy failure, not the result of a individual bad choices made by homeless people. Homelessness ends with a home, nothing else.

It's difficult to remember that the crisis of Mass Homelessness was supposed to temporary.

In 1983, the first federal grants were administered to address the then newly burgeoning crisis of Mass Homelessness. Those grants were administered through the Federal Emergency Management Agency (FEMA).

Prior to 1983, homelessness had existed in America before, but was characterized as largely sporadic and isolated events which effected individual families, rather than large populations of people. The phenomenon of thousands of people literally sleeping on city streets without shelter was a wholly new phenomenon which started in the early 1980's - which we now call 'Mass Homelessness'. The emergence of this crisis correlates directly with a **77% cut in affordable housing funds (between 1978 and 1983)**.

However, politicians chose to respond to the new crisis as merely a 'temporary lull' in the economy and only came up with **temporary band-aid solutions**. The first homeless assistance programs provided funds for communities to procure canned food, blankets, and cots to provide emergency shelter to the growing number of people left out on the street. Meanwhile, when President Reagan was asked on 'Good Morning America' about why there were suddenly a large number of people without housing, he dismissed the idea that his administration bore any responsibility for the crisis, stating, "there are always going to be people" who live in the streets by choice. This disempowering narrative of "homeless by choice" has defined homeless policy ever since.

And so, the **'Vicious Cycle of Homeless Policy'** began. The Stewart McKinney-Vento Act of 1987 established the first permanent funding for homeless assistance programs, which set precedence for the next three decades of homeless programs. But, much like the first homeless assistance grants, McKinney-Vento programs fund emergency, Band-Aid services instead of permanent affordable housing.

A Tale of Two Acts: There have been two periods of Mass Homelessness in American history. Legislation from the two periods tells the story:

Act I: The Housing Act of 1937, committed the government to "...To remedy the unsafe housing conditions & the acute shortage of decent & safe dwellings for low-income families..."

Act 2: The Quality Housing & Work Responsibility Act (QHWRA) of 1998 stated "the Federal Government cannot through its direct action alone provide housing of every American, or even the majority of its citizens."

It's important to note that these two periods of Mass Homelessness were very different: Modern homelessness is largely characterized by groups of people who are either living in emergency shelters or living outside without shelter. 'Homelessness' during the Great Depression on the other hand, was characterized by people living in slums, SRO Apartments and Cheap Hotels, most of which don't exist anymore.

In the 1930's, **in response to powerful social movements**, such as the Bonus Army March on Washington, the Federal Government was compelled to provide adequate housing to every American in need. While these programs had their problems, they exemplified a largely successful federal response to poverty.

60 years later, the government rescinded its commitment through the QHWRA act – but only after the country had already experienced years of Mass Homelessness - caused by the defunding of HUD's Affordable Housing Programs - and other policies which can accurately be described as **'The War on the Poor'**: Mass-incarceration, attacks on unions, stagnant wages, anti-immigrant policies, income inequality, deindustrialization and the outsourcing jobs through globalization and cuts to social safety-net programs.

➤ Most cities reported a tripling or quadrupling of homeless populations throughout the 1980's, and as a result, emergency shelters opened nationwide. 66 billion dollars in housing funding cuts were replaced with a few hundred million dollars in homeless assistance grants (2004 Constant USD).

Since the 1980's, HUD's housing budget has never been restored to even 50% of the 1978 levels, and homelessness has exploded as a result*. Following these housing cuts, HUD implemented the HOPE VI program, which resulted in the sale, demolition, and loss of 261,419 Units of Public Housing. Congress repealed its requirement for I-to-I replacement of housing units in 1996. As a result, there have been zero public housing units built since 1996. Estimates of units lost which include Project-based Section 8 are well over 360,000.

- HUD's current **"Rental Assistance Demonstration" (RAD)** is based on the same premise as HOPE VI – privatizing public housing. We have lost 10,000 units of public housing per year since 1995 through HOPE VI and RAD.
- The government still subsidizes housing – just for the wrong people. Beginning in the 1980's, **Mortgage Interest Deduction (MID)** outlays have far outpaced public housing spending. Today, nearly 90% of MID deductions are given to households making more than \$100,000.
- America now has less than half of the public housing units than we did in 1978.

HUD estimates that there were roughly 100,000 people experiencing homelessness in 1978. Today, at a minimum, we know that over 3.5 Million People experience homelessness every year in America, and that over 1.3 Million are children.

Mass Homelessness is the direct result of federal spending priorities and policy failure, not because homeless people are somehow deficient.

*With one exception: in response to the Great Recession, stimulus funding through the American Reinvestment & Recovery Act of 2009 temporarily added funding and helped spur economic recovery.