

Housing and Homelessness

Summary of Recommendations:

- **Reauthorize and appropriate \$3 billion for McKinney-Vento Homeless Assistance programs within the Department of Housing and Urban Development (HUD) through the HEARTH Bill (H.R. 840).**
- **Expand the HUD definition of homelessness** to include people sharing the housing of others due to loss of housing, economic hardship, or a similar reason, and to people living in motels due to lack of adequate alternatives.
- **Establish a National Housing Trust Fund** to build, preserve, and rehabilitate 1.5 million units of housing affordable to low-income people over the next ten years.
- **Preserve and increase current publicly assisted housing.** Fund all Section 8 housing vouchers currently in use, and provide additional funding for a minimum of 150,000 new vouchers.
- **Restore the requirement for a one-to-one replacement of low-income housing units** to increase the availability of affordable housing.
- **Emphasize “housing first” and “permanent supportive housing” policies** to provide our most vulnerable neighbors with secure housing and sufficient supportive services.
- **Fund renewals of the Shelter Plus Care and Supportive Housing Programs from HUD’s Housing Certificate Fund.**
- **Enact the Bringing America Home Act**, comprehensive legislation combating the housing, health, and economic issues that create and sustain homelessness.
- **Support public and private initiatives that keep people from becoming homeless.**
- **Assure that targeted services funded by HUD are maintained as HUD support is withdrawn.**

Affordable housing shortages serve as the major barrier to the elimination of homelessness. Between 1976 and 1983, HUD budget authority shrank from \$83 billion to \$18 billion, and has languished below \$30 billion since. The result: in 1976, HUD built or maintained over 400,000 units of affordable housing; in 2002, there were a meager 25,900 existing units, and HUD added only 7,635. Federal disinvestment in affordable housing has unsurprisingly led to a greater number of low-income households that experience housing problems. More than 60% of extremely low-income households spend more than 30% of their income on housing – exceeding HUD’s affordability standard.¹ 3.5 million of our neighbors experience homelessness at some point each year. The impact of Federal cuts to affordable housing programs has been drastic creating mass homelessness throughout the U.S. Due to these policy failures, 3.5 million people experience homelessness throughout the year and those on the bottom of the income scale bear the burden of housing cutbacks. More than 60% of extremely low-income households spend more than 30% of their income for their housing.² According to HUD standards, housing that costs half or more of household income is severely unaffordable or “a severe cost burden.”³

The cost of rental housing is out of reach for more and more people, heightening their risk of becoming homeless. While the Federal minimum wage has remained at \$5.15 since 1997, rents have significantly increased across the nation. According to the National Low Income Housing Coalition, there is no jurisdiction in the U.S. where a minimum wage worker can afford even a one-bedroom apartment at fair market rent. A person working full-time must earn an hourly wage of \$15.78 to rent an average two-bedroom apartment in the United States. The affordable housing crisis is more pronounced in more expensive areas of the country. In California, for instance, a person working full-time would have to earn \$22.86 per hour to afford a two-bedroom

¹ “Without Housing: Decades of Federal Housing Cutbacks Massive Homelessness and Policy Failures.” *Western Regional Advocacy Project*.

² “Who’s Bearing the Burden? Severely Unaffordable Housing.” National Low Income Housing Coalition. August 2005.

³ U.S. Department of Housing and Urban Development. *Trends in Worst Case Housing 1978-1999: A Report to Congress on Worst Case Housing Needs- Plus Update on Worst Case Housing Needs in 2001*. Dec. 2003.

apartment; a minimum wage worker would need to work 135 hours per week.⁴ As the gap widens between housing cost and income, millions of people lose their homes and face life on the street or in shelters.

Housing is health care. Homelessness causes medical problems, greatly exacerbates existing illness, and seriously complicates treatment. People without regular shelter are exposed to the elements, the violence of the streets, diseases that are rampant in overcrowded shelters, and the debilitating effects of poor diet and lack of rest. Stable, sanitary housing is central to effective health care. It is imperative that a new commitment be made to target Federal, State, and local housing assistance to people experiencing homelessness, to assist those with the greatest housing needs, and to change the housing policies that reduce the supply of affordable housing and produce homelessness.

Recommendations

1. **Reauthorize and appropriate \$3 billion for HUD's McKinney-Vento Homeless Assistance programs through the HEARTH bill (H.R. 840)** which incorporates an inclusive definition of homelessness that aligns HUD's definition of a homeless person with other federal definitions of homelessness; focuses on a full range of services, including homeless prevention activities for individuals and families at risk of becoming homeless; and continues to fund continuum of care that is necessary to ameliorate homelessness.
2. **Expand HUD's definition of homelessness.** Federal agencies administering targeted homeless assistance programs utilize diverse definitions of homelessness reflecting differing agency missions and authorizing legislation. As a result, extremely vulnerable people assisted by one Federal program are sometimes prevented from receiving needed services provided by another; for example, families and youth who "double up" due to economic hardship or loss of housing are served by HCH Programs but excluded from the homeless programs of the Department of Housing and Urban Development. The National Health Care for the Homeless Council supports the development of a common, comprehensive Federal definition that would foster interagency collaboration to end and prevent homelessness for all people. To this end, HUD's definition of homelessness must be broadened to include people sharing the housing of others (due to loss of housing, economic hardship, or a similar reason), and people living in motels, hotels, or campgrounds due to lack of adequate alternatives.
3. **Establish a National Housing Trust Fund** to build, preserve, and rehabilitate 1.5 million units of housing affordable to low-income people over the next ten years. The National Housing Trust Fund Campaign (<http://www.nhtf.org>) is working for the passage of Federal legislation to alleviate the severe shortage of affordable housing for low-income people and extremely low-income people.
4. **Preserve and increase current publicly assisted housing.** Fund all Section 8 housing vouchers currently in use and provide additional funding for a minimum of 150,000 new vouchers per year as necessary. Congress must also restore the requirement that local authorities give preference to people experiencing homelessness when granting public housing assistance.
5. **Restore the requirement for a one-to-one replacement of low-income housing units** to reverse the decreased availability of affordable housing. Many states and cities, with Federal support, are replacing outdated public housing units and unsightly high-rise buildings with more attractive and community-oriented buildings. These new developments are usually mixed-income with only a fraction of the new units dedicated to low-income individuals and families. This reduction in the affordable public housing stock increases the incidence of

⁴ "Out of Reach 2006." *National Low Income Housing Coalition*. Dec 2006.

homelessness; cities and States must strictly prohibit the loss of public housing units. Necessary public housing renovation should provide for replacement of low-income units – onsite or in the neighborhood – on at least a one-to-one ratio, and planning for renovations must always involve the residents affected.

6. **Emphasize “housing first” and “permanent supportive housing” policies** to provide our most vulnerable neighbors with secure housing and sufficient supportive services. The Fair Housing Act prevents discrimination based on health history, including mental illness and addiction. Some local communities and permanent housing programs, however, continue to use “housing readiness” as a subjective measure of appropriateness for housing. These illegal policies (nonetheless permitted by HUD) keep those with the greatest housing needs from receiving assistance. Housing programs should instead incorporate “housing first” approaches that serve people coming directly from the streets or shelters in order to reduce the harm of homelessness, addictions, and mental illnesses. In order for this housing to be successful, there is a need for adequate funding for flexible and integrated supportive services and high quality property management.
7. **Fund renewals of the Shelter Plus Care and Supportive Housing Programs from HUD’s Housing Certificate Fund**, leaving homeless program resources available for new housing and other services for people who remain homeless. These programs combine rent subsidies with intensive support services and treatment, including mental health assistance, substance use counseling, employment training, and a range of other supportive services that keep people housed while they build the skills to live as independently as possible.
8. **Reintroduce the Bringing America Home Act**. BAHA is comprehensive legislation aimed at combating the housing, health, and economic issues that create and sustain homelessness. The housing provisions of H.R. 4347 recognizes the human right to housing, support 1.5 million new Section 8 vouchers over ten years, increase authorization levels for housing programs (HUD, USDA, VA), provide that all Federal dollars used for demolition would require a one-to-one replacement of units, create more accessible homeownership opportunities for homeless persons, and authorize permanent housing as an acceptable use of surplus Federal property under Title V of the McKinney-Vento Act. Among numerous other measures, the Act also reauthorizes McKinney-Vento programs for 5 years and creates a National Housing Trust Fund.
9. **Support public and private initiatives that keep people from becoming homeless**. We urge policy makers to support regulatory mechanisms such as rent control and vacancy decontrol to shield tenants against the market forces that are presently causing displacement. Laws that protect tenants from unfair evictions and high rent increases should also be enacted or restored. Further, we urge public officials to pursue initiatives to protect low-income housing against “gentrification” and to support tenant organizing by enforcing the laws that protect tenants against harassment or threat of eviction for joining a tenant association. Because there is not enough public housing to meet current needs, we urge the creation of more “socially owned” housing, such as limited equity cooperatives and condominiums, where buildings are collectively owned by their residents and remain affordable to future owners. Local communities should also expand nonprofit ownership alternatives, such as community development corporations that own and develop non-speculative, permanently affordable housing. It is time for policy makers to treat housing as a right rather than merely a business venture.
10. **Assure that targeted services funded by HUD and HHS are maintained as HUD support is withdrawn**. Supportive services must be overseen by an agency with expertise in the coordination of comprehensive physical and behavioral health care for homeless people, such as the Department of Health and Human Services. Targeted supportive services must be funded with new dollars, not by diminishing already-strained service programs, and the

Congress should require that HUD maintain current levels of services funding until new funding is established.