THE CRISIS OF HOMELESSNESS & HOUSING

Why do we have mass homelessness?

a project of Denver Homeless Out Loud (DHOL)
Have you ever questioned why there are so many people homeless in America, one of the wealthiest countries in the world? Is it because poor people are lazy and rich people work hard? While every person who becomes homeless has a personal story with personal reasons, underneath that are systemic reasons that have led to mass homelessness in America. Mass homelessness has emerged as a result of federal policies and market reactions, not because of the actions of homeless people themselves. If you learn one thing from this booklet, it should be that homeless people do not cause mass homelessness.

This booklet goes over the history of mass homelessness in America: what happened to all the low-income housing, the rise and persistence of mass homelessness, the origins of the shelter system, and the rise in the criminalization of homelessness in an effort to “hide” homeless people.

Mass homelessness has emerged as a result of federal policies & market reactions, not because of the actions of homeless people themselves.

This booklet is written by Denver Homeless Out Loud. We wrote it because the best way to change a problem is to know where that problem came from. Homelessness is continually treated as if it is a phenomenon caused by homeless people, but that story does not match up with the facts of history: people are homeless because we can’t afford homes, and homes are unaffordable because government policies—and, consequently, the market’s reactions—have made them that way. We wrote this booklet to share this history and foundational understanding of the origins of mass homelessness and what we can do to change it. We believe that all people deserve the right to survive and to have a safe place to call home—and this fundamental right won’t be realized unless poor and homeless people stand up together to fight for these rights.
GROWING HOMELESSNESS

We have not always had mass homelessness in America. In 1978 there were an estimated 100,000 people homeless in America.¹ Compare that to 2010, when there were an estimated 3.5 million people homeless in America, 1.35 million of them children.² Prior to the 1980s, the last period of mass homelessness in America was during the Great Depression of the 1930s, when 1 million Americans were estimated to experience homelessness—a figure which pales in comparison to our current crisis. Put simply, we have more people experiencing homelessness in America today than ever before. The federal response to homelessness during the Great Depression, however, was vastly different than the approaches tried in recent history. In response to the economic catastrophes of the Great Depression and the demands put forward by powerful social movements, the federal government developed the New Deal, a series of safety net and social welfare policies designed to address the shortcomings of the market. While far from perfect, New Deal policies exemplified a successful federal response to poverty. Policies such as the federal funding of job programs, the Social Security Act, and various affordable housing programs effectively minimized the mass homelessness created during the Great Depression. Homelessness as a widespread social ill was nearly eliminated for about four decades.

Homelessness as a widespread social ill was nearly eliminated for about four decades.

Mass homelessness reemerged in America in the early 1980s, at the same time that the federal government made massive cuts to funding for affordable and low-income housing. During the 1980s, homelessness tripled or quadrupled in many US cities and, in response, emergency shelters began to open up all across America. In 1983 the Federal Emergency Management Agency (FEMA) allocated grants to fund emergency services such as food programs and overnight shelters across the country.³ Today, shelters have become a permanent fixture of society, maintaining or exceeding capacity on most nights, while thousands continue to struggle on the streets with no real access to housing. The most recent available data shows that at least 1.3 million homeless children were enrolled in public schools during the 2013-2014 school year—nearly double the number enrolled in the 2006-2007 school year.⁴

FEDERAL DESTRUCTION OF LOW-INCOME HOUSING

Between 1978 and 1983, the affordable housing budget of the Department of Housing and Urban Development (HUD) was cut by 77%—from $77.3 billion to $17.6 billion.⁵ ⁶ After 1983, HUD’s low-income housing budget continued to be cut until, today, the fund for new public housing construction has dropped to $0. There has been no new public low-income housing built since 1996.⁷ Over 150,000 public housing units were lost over the next 14 years.⁸ The approximately 95,000 supportive housing units created since the late 1980s pale in comparison to the hundreds of thousands of Section 8 and public housing units lost over the same period. From 1976 to 1982, HUD built over 755,000 new public housing units, but from 1983 to the present, HUD has built only 256,000 new public housing units.⁹ The federal government funding for the creation of rural affordable housing units has plummeted from almost 40,000 units in 1978 to a few hundred in 2007. The United States has lost about 200,000 units of low-income housing stock every year since the 1980s (about half of the nation’s entire low-income housing stock).¹⁰ As a result, more than 11 million renters in America today spend more than half of their income on housing.¹¹ Even as the funding of HUD virtually flat-lined, the total budget of the federal government doubled. The 2016 budget had $618.8 billion in discretionary military spending, and actual defense-related expenditures exceeded one trillion dollars that year.¹² We could end homelessness with just a tiny fraction of this military budget.

What do all these numbers mean? They mean that there are fewer and fewer places to live that are kept at attainable rates for low-income people. Where, for example, can a person rent an apartment while relying on minimum-wage pay, or Social Security Income? The government used to consider it a public responsibility to keep the market from overtaking the housing stock and to ensure that low-to-no-income people had housing options. That is no longer the case. In 1998 the federal government instead said that it “cannot through its direct action alone provide housing for every American, or even the majority of its citizens.”¹³ Instead, housing is left up to the market.

³The Emergency Food and Shelter National Board Program created by Congress on March 24, 1983. www.efsp.unitedway.org/efsp/website/index.cfm
⁴www2.ed.gov/policy/elsec/leg/essa/160315ehcyfactsheet072716.pdf
⁶For an explanation about discretionary and mandatory spending go to: www.nationalpriorities.org/analysis/2017/militaryized-budget-2017
⁹For an explanation about discretionary and mandatory spending go to: www.nationalpriorities.org/analysis/2017/militaryized-budget-2017
¹³For an explanation about discretionary and mandatory spending go to: www.nationalpriorities.org/analysis/2017/militaryized-budget-2017
MARKET-RATE HOUSING GROWS EVER MORE UNATTAINABLE FOR THE POOR

According to Harvard’s Joint Center for Housing Studies, 37% of American households—more than 43 million—are now renting, marking a 50-year high and resulting in a 30-year low in national vacancy rates: 6.9%. This increased pressure on the rental market, along with the demolition of more than half of the nation’s public housing units since 1980, has created the perfect conditions for a housing crisis: over 11 million renters in America now spend more than half of their income on housing. Renters across the nation saw a 5.6% increase in rental prices in 2016 alone. The increase in price, however, is most concentrated in major US cities like New York, San Francisco, and Denver. Rents in Denver increased by 52% between 2005 and 2015, and in the first quarter of 2017, rents in the Metro Denver Area were up 14.85% from the same time in 2016.

In July of 2017, the Metro Denver Area had a vacancy rate of 5%, and average rent for an apartment was $1,419.45. A full-time minimum-wage-earning Colorado worker makes $1,316.80 per month before taxes. This means that, according to the federal guideline on Affordable Rent Burdens (defined by HUD), an entry-level worker would need to work at least 127.21 hours per week, four weeks a month (and not pay taxes on any of their income) to afford an average-rate apartment within ten miles of Denver.

Denver needs an additional 25,647 low-income housing units to adequately shelter residents earning under $20,000 a year. Surveys shows that the number of homeless people in the Denver region has grown 600% in the last twenty years, and unless policy changes occur to prioritize the production and retention of low-income housing, these conditions will only worsen.

GOVERNMENT AND MARKET ACTIONS CREATED MASS HOMELESSNESS

The origins of contemporary mass homelessness are found in the federal policy changes of the late 1970s and 1980s, when the budgets for affordable housing and social safety net programs were decimated. Most notably, between 1978 and 1983, the Department of Housing and Urban Development’s housing budget was slashed 77%—from $77.3 billion to $17.6 billion. At the same time, Americans were forced to grapple with the effects of globalization, the outsourcing of American jobs, deindustrialization, stagnating and depreciating wages, urban renewal projects, and the gentrification of urban areas. The result was that more Americans had lower incomes and higher housing costs.

The truth is that the federal government has not reduced its spending on subsidizing housing in the last 30+ years; it has simply changed who it prioritizes to receive housing assistance.

The programs developed through the New Deal and Great Society initiatives had previously given Americans a social safety net, which they relied upon for decades. Americans understood it to be the work of responsible government to use our common funds (tax money) to ensure a baseline for every member of society: decent nutrition, a decent education, a decent means of income, and a decent home. When these programs were financially gutted, the ground floor which Americans had trusted began to collapse, causing mass homelessness to reemerge nationwide.

SUBSIDIZING THE WRONG KIND OF HOUSING

It is simply false for politicians—or anyone else—to say that the government “got out of the business of housing” when it began defunding affordable housing programs in the late ’70s and ’80s (as many politicians have). The truth is that the federal government has not reduced its spending on subsidizing housing in the last 30+ years; it has simply changed who it prioritizes to receive housing assistance. Bipartisan congressional committees have found that federal tax expenditures for mortgage interest deductions (MID) to upper- and moderate-income homeowners far outweigh direct federal assistance to low-income renters.

Experts agree that the MID does not incentivize homeownership and is unequally weighted. In 2015, for instance, the federal government spent $71 billion on MID’s, with households earning more than $100,000 receiving almost 90% of the benefits. These tax deductions serve to artificially elevate the cost of housing, especially at the high end of the market, and benefit those who, most often, aren’t in need of housing assistance at all.
### CONTINUED CUTS TO HOUSING DOLLARS

The federal budget for affordable housing has never been fully restored to pre-Reagan era levels. The 2017 budget for HUD is roughly 48.2% of the 1978 budget. Furthermore, with continued loss in public housing stock (through the demolition and mortgaging off of older units) and the increased emphasis on using HUD capital for “mixed income economic development projects,” the number of actual housing units built or sustained through HUD’s Community Development Block Grant (CDBG) and HOME funds is decreasing at an alarming rate. In 2015 alone, the country lost over 70,000 housing vouchers for low income residents. In January 2017, the Denver Office of Economic Development offered the following graph to illustrate the continued depletion of federal funds in comparison to the ever-increasing rent burden in the city.

![Changes in Federal Block Grant Funds](chart.png)

The White House recently released its budget for the Fiscal Year 2018. The budget includes sweeping cuts to many programs, including $6.823 billion in cuts to HUD programs. If adopted by Congress, this budget would mean that Colorado would stand to lose $94,846,926 in funding. The result would be less money for community development, the Section 8 program, and numerous other housing programs. At least 8,137 families would be affected—many of which would likely become homeless as a result.

### GOVERNMENT AND INSTITUTIONAL RESPONSE TO MASS HOMELESSNESS

Rather than responding to mass homelessness by addressing the loss of housing—the primary, underlying cause of the crisis—governments have, for the last three decades, approached homelessness primarily as the failure of individual homeless people or as a natural consequence of “the market.” Throughout the 1980s, the lack of affordable housing was one of the most widely-cited explanations for contemporary mass homelessness. “But instead of (re-)building an adequate housing infrastructure, government agencies, foundations and policy experts worked together to generate the vicious cycle of homelessness.”

Congress first responded to the homeless crisis in 1983 by implementing the Emergency Food and Shelter Program and funded it through the Federal Emergency Management Agency (FEMA). Then, in 1987, Congress passes the Stewart B. McKinney Homeless Assistance Act, the first major federal legislation devoted solely to addressing homelessness. This act set the precedent for how homeless services would be offered, even through today.

For the last three decades, homelessness policy has focused on a series of underfunded, patchwork efforts that tend to pit subpopulations of people—people experiencing homelessness, service providers, and advocates—against each other in battles for meager funds.

### FUNDING THE HOMELESS SUBGROUPS INSTEAD OF HOUSING FOR ALL

“Rather than addressing homelessness by providing housing options at all income levels, homeless policy in the United States has devolved into byzantine formulas used to count the number of homeless people and determine whether or not someone ‘qualifies’ for homeless housing and services.”

A few billion in McKinney-Vento homeless assistance dollars is supposed to replace the hundreds of billions of dollars divested from affordable housing programs over the last three decades. Then, after creating these limitations, the federal government continually asks local communities to design programs “targeted” at assisting specific “deserving” or “worst-case” subpopulations of people experiencing homelessness—i.e. “chronically homeless” people, veterans, women, etc.—while ignoring other populations—i.e. couples, families with children, etc.—and ignoring the underlying need for the funding of a broad-based housing program that makes attaining (and retaining) housing a possibility for everyone.

---

25When adjusting for inflation using 2004 constant USD: [www.denvergov.org/content/dam/denvergov/Portals/690/Housing/DRAFT%20PLAN%20011317.PDF](http://www.denvergov.org/content/dam/denvergov/Portals/690/Housing/DRAFT%20PLAN%20011317.PDF)
30Carlson, Betsy (2006), Mapping the American Political Stream, Advocates’ Forum, School of Social Service Administration, University of Chicago.
SHELTERS WERE SUPPOSED TO BE TEMPORARY
When the first programs dedicated to addressing homelessness were implemented in 1983, they were funded through the Federal Emergency Management Agency (FEMA) because policymakers believed that the sudden emergence of homelessness was due to a temporary lull in the economy—that it was an emergency that could be dealt with by providing temporary and immediate assistance. Hence, the original $140 million dedicated to assisting homeless individuals was intended to help localities obtain extra blankets, canned food, cots and clothes.³¹ Then, as homelessness persisted through the 1980s and beyond, the temporary shelters and emergency food drives, which started as compassionate and immediate responses to homelessness, became long-term operations. Three decades later, our policymakers have never adequately refunded our affordable housing programs and continue to prioritize emergency shelters and temporary housing over long-term solutions. Hence, rents have grown out of reach for millions of Americans, mass homelessness has increased to astronomical levels, and the need for temporary shelter has only increased. Over the last three decades, the temporary, band-aid solutions of the 1980s have become permanent fixtures in local communities, despite countless studies showing that providing long-term, low-cost or no-cost housing options to people experiencing homelessness is actually less expensive—not to mention more humane—than operating the emergency shelter system.³²

BAND-AIDS INSTEAD OF HEALING, TREATMENT INSTEAD OF HOMES
The widely-accepted myth that homelessness is primarily caused by some deficiency or abnormality of homeless individuals has led policymakers to prioritize funding for “services” oriented towards reforming homeless people, treating their economic condition like a disease. Hence, homeless planning projects ignore systemic causes of homelessness while highlighting “employment training” programs, “life skills” classes, and “behavioral health” management. The crisis of homelessness is portrayed as stemming from the laziness, mental illness, substance abuse, or “behavioral health problems” of certain individuals. Meanwhile, the realities of families, unaccompanied youth, and seniors doubled up in housing, living in motel rooms, or being forced from their neighborhoods by gentrification are often ignored.

While people experiencing homelessness (like any other population) often do struggle with a variety of personal challenges that may make getting off the streets more difficult, the general emphasis on these problems within homeless policymaking reflects a bias against people living in poverty and a lack of will to address the systemic causes of mass homelessness. Social workers and health care professionals do have the responsibility to help people with whatever personal challenges they may face. But it is the work of policymakers and community organizations to address the social and structural conditions that cause homelessness and to ensure universal access to housing.

³²One such study can be found here: www.economicrct.org/publication/where-we-sleep

BAND-AIDS INSTEAD OF HEALING, TREATMENT INSTEAD OF HOMES (CONTINUED)
Let’s be clear: before the 1980s we had people who were lazy, lacked job skills, were drug addicted, and so on.

But, before the 1980’s, we did not have mass homelessness.

So, did lazy, unskilled, drug-addicted people cause mass homelessness? No.

10-YEAR PLANS FAIL, COMMISSIONS GOING NOWHERE
In 2001, HUD, under the Bush Administration, launched a nationwide initiative called “Ten-Year Plans to End Homelessness.” By 2008, there were 355 “Ten Year Plans to End Homelessness” covering 860 cities across the country. Yet homelessness continues to rise. Moreover, federal and local governments have countless commissions and committees on homelessness. But, despite federal mandates to include homeless people in the development and management of homeless programs “to the greatest extent practical,”³³ most of these groups have no active involvement of homeless or formerly-homeless people, and the few that do usually have only one or two token homeless representatives. These are the committees that make plans about how homelessness will be addressed in our cities, and it is imperative that people with lived experience of poverty—who know first-hand the needs of people in poverty—be included in their decision making processes.

³³Title 24 § 576.405 Homeless participation.
CRIMINALIZATION OF HOMELESSNESS

USING LAWS AND POLICE TO TRY AND HIDE HOMELESSNESS

Because the federal response to homelessness over the last three decades has been so ineffective in meeting the needs of local communities, local governments have resorted to punitive policing aimed at people experiencing homelessness. Pressured by business people, cities pass legislation that aims to drive homeless people out of sight: laws that criminalize—that make into municipal offenses—everyday, life-sustaining activities such as sleeping, sitting down, or covering oneself with a blanket. Because the sight of extreme poverty makes much of the general public uncomfortable, and because they are promoted as a way to re-establish “law and order” and control “deviant behavior,” these laws are oftentimes passed with the support of local residents. However, common wisdom tells us that punishing individuals for the (often visual) effects of poverty does not actually address the causes of poverty. Hence, when homeless people are “moved along” from a park, doorway, or neighborhood, they will inevitably still be poor and homeless somewhere else.

However, common wisdom tells us that punishing individuals for the (often visual) effects of poverty does not actually address the causes of poverty.

Across America, laws that criminalize acts of survival in public space continue to spread. For example, city-wide prohibitions on “camping” (a better word would be “surviving”) increased 60% nationwide from 2011 to 2014.³⁴ In Colorado, laws like camping bans, sit-lie laws, and even bans on sleeping in one’s car have spread across the state over the past ten years. In Denver, it is illegal for homeless residents to sleep or sit on downtown sidewalks, or to use any form of shelter from the cold or sun other than their clothing.³⁵ In Boulder, city officials put a homeless person on trial for using a backpack pillow as a form of “shelter,” claiming it as “shelter” because it was used to keep the individual’s head from touching the ground. In Grand Junction, officials have locked public bathrooms and shut down water fountains in downtown parks to discourage the presence of homeless people. In Durango, a peaceful street guitar player was ticketed for having his guitar case open to accept donations. All across Colorado, jurisdictions are increasingly treating homelessness as a criminal condition, turning the activities of homeless people in public spaces into municipal offenses.³⁶

³⁵Denver Municipal Code 38.86.2.
³⁷www.westword.com/news/dpd-crackdown-on-homeless-camping-ban-enforcement-up-500-percent-7933788

CRIMINALIZATION OF HOMELESSNESS (CONTINUED)

INCREASE OF POLICE FORCE

Police statistics show a 500% increase in enforcement of the camping ban in Denver since March 2016.³⁷ In a 2015 survey, 70% of homeless people reported being harassed, ticketed, or arrested for sleeping in Denver, 64% for sitting or lying down. 61% reported having belongings taken by police or city employees.³⁸

DESTRUCTIVE EFFECTS ON HUMAN LIFE

These laws have real effects on the lives of people who are homeless. Sweeps of homeless people to drive them out of areas frequently result in the destruction of people’s personal property and critical identification documents. People continually lose sleep due to police waking them up and “moving them along.” People are separated from communities they depend on and are forced away from downtown areas where they need to access resources.

Treating people as undesirable and as criminals fosters negative relations throughout the broader community. While people experiencing homelessness are affected most profoundly, these measures also impact service providers’ ability to do their work. In the saddest form of irony, these laws, which are sold to the public as a means of curbing the effects of homelessness, actually make addressing homelessness more difficult (and, by criminalizing them, the laws actually hurt, rather than help, homeless people). Furthermore, these laws waste valuable public resources, which could be directed towards helping people, but are instead used to treat homelessness—an issue of systemic poverty—like a criminal justice issue. Ultimately, punishing homeless people for conducting life-sustaining activities takes a toll on the entire community.
CONCLUSION

Let’s repeat. Homeless people do not cause homelessness. “The obvious solution to ending mass homelessness is obscured by the ways that policymakers and opinion leaders promote a culture of division that segments and groups homeless people. Each time we break people apart by superficial groupings or personal characteristics, it clouds our ability to recognize the common denominator shared by all: the basic human need for housing and the inability to afford it.”³⁹ This struggle belongs to all of us, and we must work together to create a society in which all people have access to homes and all people have the right to survive.

GET INVOLVED!

To get involved in this work, contact Denver Homeless Out Loud (DHOL). DHOL is working on solutions to these root causes of homelessness and we could use your help! Here are just some ways you can help:

- Speaking truth to power
- Spreading awareness to your community
- Research assistance
- Funding
- Advocating for the statewide Right to Rest Act
- Help to end camping bans and criminalization of survival in cities across Colorado
- Land for tiny home villages and homes for all

WEBSITE
Denverhomelessoutloud.org

EMAIL
info@denverhomelessoutloud.org

PHONE
720-940-5291

OFFICE
2260 California Street, Denver, CO 80205

OFFICE HOURS
Monday through Friday, 2:00 pm-5:00 pm

MAIN MEETINGS
Wednesdays, 4:45 pm-7:00 pm

---

³⁹Western Regional Advocacy Project (2007): Without Housing, p. 43.
DENVER HOMELESS OUT LOUD

WEBSITE
Denverhomelessoutloud.org

EMAIL
info@denverhomelessoutloud.org

PHONE
720-940-5291

OFFICE
2260 California Street, Denver, CO 80205

Content by Denver Homeless Out Loud (drawing much from WRAP Without Housing)
Illustrations by Daniel Lowenstein
Layout by Blair Stapp