

Without a Home, But Not Without Hope

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Abstract

Homelessness, particularly in urban areas, has been a problem in the United States for decades. One of the most consistent issues for the homeless population is limited access to affordable housing. This thesis examined historical trends of affordable housing policy both nationwide and in some of the largest urban areas in the United States, as well as analyzed and evaluated current initiatives and policies. Using this information, suggestions for future legislation and community programs on the federal and local level were presented as possible solutions to the lack of affordable housing in the United States. (95 words)

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Introduction

Homelessness, particularly in urban areas, has been a problem in the United States for decades. According to the *National Alliance to End Homelessness*, 564,708 people experienced homelessness during one night in January (2015). This population was forced to sleep on the street, in trains and abandoned buildings, or in shelters if they were lucky. A variety of factors have contributed to the rate of homelessness over time. Out of these factors, one of the most consistent issues for the homeless population, particularly in urban areas, is limited access to affordable housing (National Coalition for the Homeless, 2009). Numerous initiatives and policies have been pushed through federal, state, and local legislation to aid in providing affordable housing to the homeless population. However, such policies and legislation have not always been effective or beneficial. This thesis looked at prior affordable housing policy and initiatives at all levels of government and within community and non-profit organizations. Using this information, suggestions for future legislation and community programs on the federal and local level will be presented as possible effective solutions to the lack of affordable housing in the United States.

Before beginning this endeavor, it is vital to operationalize key terms. This thesis utilized the U.S. Department of Health and Human Services' (HHS) definition of homelessness. The HHS defines homelessness as “an individual who lacks housing, including an individual whose primary residence during the night is a supervised public or private facility that provides temporary living accommodations, and an individual who is a resident in transitional housing” (National Health Care for the Homeless Council, n.d.). Regarding the term affordable housing, this thesis will employ the U.S. Department of Housing and Urban Development's (HUD)

definition. HUD defines affordable housing as “housing for which the occupant(s) is/are paying no more than 30 percent of his or her income for gross housing costs, including utilities” (U.S. Department of Housing and Urban Development, n.d.). Specific definitions may vary depending on location and region; however, this thesis used a general definition in order to analyze affordable housing from the federal, state, and local level.

Part I: Historical Overview

To gain a sense of the scope and content of affordable housing developments, policies, and initiatives, part 1 of this thesis, gives a historical overview of the types of solutions that have been presented and developed. Major federal acts, as well as local and community organization initiatives are highlighted and examined. The major themes of these solutions are then evaluated and used to form a plan for the future in later portions of the thesis.

20th Century Policies

1930-1959. The idea of public housing was not proposed or put into action until the aftermath of The Great Depression during the 1930s (National Low Income Housing Coalition, 2015). Various initiatives and plans arose during the early 1930’s to construct and provide financial assistance for residents greatly affected by the financial disaster of the previous decade. To create a more affordable housing market, Congress created the Federal Housing Administration in 1934. Through public financing and increased mortgage assistance, decreased down payments and extended mortgages were introduced (National Low Income Housing Coalition, 2015). Although these plans are more commonplace today, at the time they represented a very progressive change in government assistance for the public.

By the mid 1930s, the United States’ housing stocks were still very low from The Great Depression. Additionally, the onset of World War II saw many citizens move into larger cities to

assist in wartime production, which led to the already poor housing conditions in these areas to decline and overpopulate. Many poor working-class families had little access to hot water and living units large enough for their family. Immigrants and minority citizens were often the most affected (National Low Income Housing Coalition, 2015). As a result, Congress decided government intervention was necessary to reverse the declining standards and quality of the United States housing market.

The Wagner-Steagall Act, more commonly known as the U.S. Housing Act of 1937 was the first major government bill in regards to public housing and led to the beginnings of a Public Housing Initiative. The Act's main aim was

“To provide financial assistance to the States and political subdivisions thereof for the elimination of unsafe and insanitary housing conditions, for the eradication of slums, for the provision of decent, safe, and sanitary dwellings for families of low income, and for the reduction of unemployment and the stimulation of business activity, to create a United States Housing Authority, and for other purposes”

(1930s: Wagner-Steagall Act, 1937 (on U.S. Housing Authority), 2002).

The bill allowed for greater production of affordable homes, which coincidentally led to the creation of jobs, economic stability, and a reduction in “slums” in the nation’s largest urban areas (History of Affordable Housing). Aside from its general guidelines, the U.S. Housing Act of 1937 laid out stricter regulations for the creation of affordable homes. The newly created United States Housing Administration required each new publicly subsidized housing unit to replace a current housing unit in poor condition. This was intended to improve the quality of local housing units without creating an overabundance of properties. Despite these federal guidelines, housing decisions were made and enforced by local authorities, allowing communities a certain freedom

of choice (The Fair Housing Center of Greater Boston, n.d.). As a result, cities now have their own housing authority to regulate publicly subsidized housing. Modern day examples include the Chicago Housing Authority and the New York City Housing Authority. While local housing authorities allowed for more freedom in communities that may not have desired or required public housing, it also led to a lack of housing for those in need and the continued racial segregation of housing projects (The Fair Housing Center of Greater Boston, n.d.). Local communities were granted the power to decide where to place public housing projects, which allowed for the possibility of large groupings of low-income households living together in poor conditions and underserved communities.

Another negative effect of the U.S. Housing Act of 1937 was the maximum income requirements set for potential residents. In an attempt to ensure a separation between the public and private housing markets, the maximum income for housing project residents was set very low, which incidentally created pockets of high rates of poverty in housing units (The Fair Housing Center of Greater Boston, n.d.). Although this may have quelled the fears of local citizens hoping to buy private property, this effect led to high rates of crime and deterioration in public housing projects that are now commonly equated to modern day public housing developments.

Upon the enactment of the 1937 U.S Housing Project, nearly three decades passed before public housing was revisited and reconsidered by the Federal Government. However, such an extended halt in public housing policies may have been a result of the historical events of the era. According to Charles L. Edson, public housing construction and funding is not necessarily a result of increased rates of poverty and dilapidated housing projects, but rather a route to solving other issues, such as job creation during The Great Depression as discussed previously, or civil

rights disputes during the 1960s, which will be discussed in greater detail further in the paper (Edson, 2011). Major historical events often brought about raised awareness of public housing, which led to periods of increased reform and policy initiatives. However, as time passed, affordable housing policy would begin to lessen.

1960-1979. In 1965, Congress enacted The Department of Housing and Urban Development Act. From this bill, the Department of Housing and Urban Development, more commonly referred to as HUD, was created as a cabinet-level agency. According to the Office of the Federal Register, “HUD is the principle Federal agency responsible for programs concerned with the Nation’s housing needs, fair housing opportunities, and improvement and development of the Nation’s communities” (Office of the Federal Register). The creation of HUD signified a shift in public housing policy as the Federal Government began to focus on large urban centers and southern towns being afflicted by civil unrest during the 1960s civil rights movement. From this point forward, HUD possessed power and control in the realm of public housing that led to more frequent bills and greater change through the turn of the century. Despite the increased action by the Federal Government, local housing authorities and state governments were granted heavy community choice when it came to the development of specific projects. The creation of HUD allowed for greater amounts of federal funding and initiatives to assist low-income households, but communities were still at the core of public housing developments.

By 1968, HUD began to gain greater power and control over the housing market in the United States. After the assassination of Dr. Martin Luther King Jr., heightened tensions and public riots and protests led to a raised awareness of the discrimination that had dominated the undertow of American society for the past 200 years. The Civil Rights Act of 1968, also known as the Fair Housing Law, began to outlaw most forms of housing discrimination and also gave

HUD the power to promote and enforce affordable housing projects (History of Affordable Housing). That same year, the Housing Act of 1968 formed the Government National Mortgage Association, more commonly referred to as Ginnie Mae. According to their website, Ginnie Mae “focus on providing a guaranty backed by the full faith and credit of the United States for the timely payment of principal and interest on mortgage-backed securities (MBS) secured by pools of government home loans” (Ginnie Mae, 2016). Essentially, the corporation provides a safer way for investors to gain government loans for riskier, large housing developments. By fully insuring them through the Federal Government, investors are more likely to take greater risks in developing fruitful public housing projects subsidized through public funds. Likewise, the increase in public housing projects increases the amount of affordable homes for citizens who need assistance.

While 1968 was a productive year for public housing officials in the dismantling of discriminatory housing practices, the passing of both the Fair Housing Law and the Housing Act of 1968 signified nearly two decades of increased activity from HUD in an attempt to quell poor housing conditions for all United States citizens. Using the creation of Ginnie Mae as a jumping off point, HUD began enacting plans to persuade private investors to restore and construct public housing projects. These housing projects became very popular during the 1970s with numerous developments being constructed across the country. Public subsidies and low interest rates allowed by legislation during the 1960s and the 1970 Housing and Urban Development Act were the primary driving forces behind the large number of investors and developers stepping forward to assist in these projects (U.S. Department of Housing and Urban Development).

After a moratorium on housing assistance by President Nixon in 1973, HUD began making substantial changes to housing developments and projects with the Housing and

Community Development Act of 1974. From this act, local housing authorities were granted increased power in their responsibilities and several previous HUD programs were combined into the Community Development Block grant, also known as the CDBG (National Low Income Housing Coalition, 2015). The Housing and Community Development Act of 1974 placed increased responsibilities on local authorities to improve urban centers through increased funding for public housing and social services. Through CDBG's, increased amounts of federal resources were granted to local authorities through the combination of different HUD groups and programs. Over 2.5 billion dollars in aid was dispersed in 1975 alone (Frej & Specht, 1976) (Brunick & Maier, 2010). As the 1970s came to a close, more cities were receiving increased amounts of funding to assist in social projects to better provide services for all citizens. However, at the turn of the decade, several external forces began to shift which forced HUD and other government agencies to respond and change their policies once again.

1980-1990. With many housing project developments falling into disarray, Congress and HUD passed two bills to place more emphasis on upkeep and maintenance of publicly subsidized properties. The Energy Security Act of 1980 created the Solar Energy and Energy Conservation Bank, a subset of HUD, which provided financial assistance to local authorities and investors for repairs, related to green energy and conservation (U.S. Department of Housing and Urban Development). Although progressive for its time, the act aimed to both maintain buildings for extended periods of time, provide residents with lower gas and electric bills, save investor's money in building repairs, and be more environmentally conscious.

During the same year, the Housing and Community Development Act marked physical improvements of public housing projects as a greater priority for HUD. Through the act, the Comprehensive Improvement Assistance Program (CIAP) was developed to patrol and enforce

improvements on properties. The intent was to ensure properties were preserved and maintained for longer periods of availability (U.S. Department of Housing and Urban Development). Rather than having to construct new properties upon the dilapidation of older structures, HUD aimed to focus on enhancing the properties currently under its control. This would not only cost less money on the financial side of the operation, but also lead to fewer families being forced out of properties when basic needs were not met. With a shifting economic structure during the height of the Cold War and increased mortgage rates during the 1980s, new bills were also necessary to continue to expand HUD's public housing base.

The second half of President Ronald Reagan's tenure brought along the most significant change in terms of public housing policy. The 1987 McKinney-Vento Act, named after the late Congressmen, Steve McKinney and Bruce Vento, brought forth numerous changes and expansions to HUD programs and procedures. At its core, the act aimed to assist communities in their fights with homelessness and poverty. A variety of social policies and programs were enacted to better accomplish this goal. The original bill contained fifteen programs that were eventually cut down to nine for the final bill. The programs covered a variety of areas in the realm of homeless services, including emergency shelters, housing assistance, skills training, education and job resources, and some forms of permanent housing units (National Coalition for the Homeless, 2006).

Several of the programs that arose from the McKinney-Vento Homeless Act created or expanded upon opportunities for HUD to collaborate with other government agencies across branches. Title II of the bill established the Interagency Council on Homelessness, a team of fifteen federal agency leaders, housed in the executive branch (National Coalition for the Homeless, 2006). According to their website, the Interagency Council on Homelessness "was

charged with coordinating the federal response to homelessness and creating a national partnership at every level of government and with the private sector to reduce and end homelessness in the nation while maximizing the effectiveness of the federal government in contributing to the end of homelessness” (United States Interagency Council on Homelessness). The council, which is still in use today, brought together several different agencies within the government and private sector to bolster cooperation among several different groups who were all working toward the same goal. Through these types of collaborations, work in the homelessness field has become more effective and efficient.

Other programs enacted through this monumental bill were the authorization of an Emergency Food and Shelter Program by the Federal Emergency Management Agency (FEMA), emergency shelter and housing cooperatives through HUD, the expansion of healthcare, educational, and job agency services for the homeless population, and additional requirements for federal agencies to identify and provide underdeveloped land to local communities for further homeless service buildings (National Coalition for the Homeless, 2006). The McKinney-Vento Homeless Act was one of the largest and most expansive bills for the homeless and low-income population during the twentieth century. Many of the programs and services enacted by the bill are still in use and aiding the homeless population today.

The final decade before the turn of the 21st century saw relatively little progress and policies pushed forward by Congress and HUD. The Cranston-Gonzalez National Affordable Housing Act of 1990 was enacted during President George H.W. Bush’s first and only term. The act aimed to assist low-income families in purchasing homes through down payment savings. Other services expanded for low-income families under the act improved Federal rental assistance for homes, the retention and improvement of previously used publicly subsidized

housing projects, and increased supplies of housing for low-income citizens with special needs. Further connections were also developed across the Federal Government, private companies and investors, and non-profit organizations to increase the amount of affordable low-income housing to families (Legal Information Institute). Otherwise, the 1990s were largely spent improving and restructuring prior federal housing projects and policies.

21st Century Policies

Local Initiatives. Because of a lack of federal support and progress, the turn of the 21st century brought about an upturn in local and state regulations and community organizations. Since the late 1970's, public and affordable housing developments and federal policies have experienced a steady decline (Brunick & Maier, 2010). As a result, non-profit organizations and community groups have started to form nationally and in large urban centers across the United States. One of the leaders of the non-profit movement is the Housing Partnership Network, a group of 100 housing and community building non-profits working at all levels of government to ensure proper housing for all citizens. According to their official website, the Housing Partnership Network seeks "to build affordable homes, better futures and vibrant communities for low and moderate income people through partnerships with our member organizations, the business sector, government, and philanthropic institutions" (Housing Partnership Network). The group acts as a think tank and liaison to public housing projects and developments. By raising capital and testing innovative ideas, the Housing Partnership Network is attempting to satisfy the needs of underrepresented citizens. According to the network, nearly 75% of Americans, who are eligible for some sort of housing assistance, do not receive the help they need. Due to this, their goal is to bridge the gap between non-profit organizations and private business investments (Low Income Investment Fund, 2016).

Local and state governments have created their own programs and initiatives to support community members and organizations. This support has been largely accomplished through inclusionary housing, a program that requires certain amounts of residential units in housing and mixed-use developments to contain affordable housing. By placing these units in market-value developments, low-income citizens are guaranteed access to housing in low-crime areas close to jobs and public transportation. Over 300 state and local municipalities have incorporated inclusionary housing programs since the 1970s, which has resulted in hundreds of thousands of additional affordable housing units (Brunick & Maier, 2010). One of the most promising results of the program is most require no additional tax revenue to complete, as tax breaks and other investment bonuses are attributed to private investors and developers. Similar programs are in place in states across the country and in communities of all sizes and types, such as rural areas, college towns, and mid-size cities (Brunick & Maier, 2010) (Golz, 2006).

As inclusionary housing programs expanded into towns and cities across the country, large urban areas also expanded programs outside of their city limits. Population increases, with stagnant job growth, have caused large cities to struggle to produce affordable housing in areas close to good jobs and public transportation. As a result, programs are now being expanded to suburbs in hopes to provide affordable housing for families who cannot afford homes in the city limits. Areas with good schools are particularly popular targets.

Chicago. To produce more affordable housing for Chicago residents, the Illinois Affordable Housing Planning and Appeal Act of 2004 placed added responsibility on local communities to produce more affordable housing developments across the state. The aim was to reduce commute times for local workers and increase affordable housing availability in low-crime areas. Flexibility within the plan allowed local communities to tailor developmental plans

to suit their own community needs. Local communities were required to submit development plans to state government officials for additional or existing structural development, a list of possible developers, and additional incentives available to private investors for developing public housing units (Golz, 2006) (Iglesias, 2002). The plan forced communities to identify the housing issues their citizens were experiencing, but also faced community opposition from affluent suburbs and towns who felt public housing would drive down housing and land values. Community opposition, along with a lack of federal leadership has become modern day barriers of entry for public housing developments. That being said, local communities have begun to identify ways to counteract the opposition.

San Francisco. Much like Chicago, the San Francisco Bay area increased amounts of affordable housing in the past fifteen years, but community opposition has caused local municipalities and non-profit organizations to struggle to produce the necessary developments. During a 2002 city council meeting in Merced, California, a proposal for a 398-unit affordable housing complex was rejected because of intense protests by neighborhood landowners and residents. Community members feared outside developers were hoping to reap profits from the local neighborhood and property values would dramatically decrease after the complex was completed because of a resulting rise in criminal activity. Despite the need for affordable housing for the town's residents, community members rejected plans for construction (Iglesias, 2002).

With local opposition rising around the idea of an influx of low and moderate-income families into affluent areas, communities altered their approach to development planning. Rather than overcoming the local opposition, developers and non-profits are now attempting to manage opposition through better collaborative methods. The approach, known as Managing Local

Opposition (MLO), is a general approach aimed to be applicable to various municipalities and situations. Plans and proposals are created with local oppositional concerns in mind and public relation strategies are used to gauge community approval before public votes and meetings. By responding to community complaints and concerns with constructive responses and utilizing time effectively to deal with the most pressing issues, the developer and organizations attempt to save valuable time in the planning process (Iglesias, 2002) (Dreier & Candaele, LA Grassroots Campaign Wins \$100 Million Housing Trust Fund, 2002). The ultimate goal is to have the proposal passed and manage the most pressing concerns of local community members before construction of the development begins.

Los Angeles. Aside from federal funds, grassroots campaigns have also been successful in securing increased funds for local developments and projects. Housing LA, a coalition of various community groups and housing organizations, spearheaded a two-year grassroots campaign based around community involvement, rallies, and tours of the poor living conditions common in Los Angeles neighborhoods. The campaign, which coincided with the 2001 mayoral election, ultimately gained a \$100 million annual Housing Trust Fund which aided developers in providing affordable housing for the families living in the more than 125,000 housing units considered substandard at the time (Dreier & Candaele, LA Grassroots Campaign Wins \$100 Million Housing Trust Fund, 2002) (Reichl, Mele, & Beer, 2003). Los Angeles is a city that possesses very little government subsidized housing which requires more grassroots campaigns. However, other cities, such as New York, benefit from an abundance of subsidized housing, which results in different approaches to providing public housing developments.

New York. New York City housing non-profits have adjusted their focus on affordable housing from managerialism to entrepreneurialism in recent years. Non-profit organizations and

local and state governments have started to partner with private investors to fund projects. A prominent example is the revitalization of Times Square during the 1970s. More recently, Common Ground, an organization devoted to rebuilding affordable housing developments, purchased the Times Square Hotel, a former affordable housing complex of 735 units. The organization worked with the local and federal governments, primarily through loan and tax incentives, to receive the majority of their funding to update and reopen the once dilapidated location. Common Ground also worked with the surrounding residents and businesses of the neighborhood to manage the doubts of local community members. The Times Square Hotel is now a mixed housing development for low-income special needs residents and working class families. Businesses, such as Starbucks and Ben and Jerry's Ice Cream, also operate storefronts within the building (Reichl, Mele, & Beer, 2003) (Sazama, 2000). Success stories, such as the Times Square Hotel, provide hope and promise that affordable housing developments can not only benefit affluent areas, such as Manhattan in New York, but also be completed without the need of raised taxes and decreases in property value.

As discussed above, communities are granted many freedoms and choices when it comes to developing affordable and public housing projects. Some cities, such as Chicago have attempted to utilize government-sponsored housing projects, while others, such as Los Angeles, have been forced to operate through grassroots campaigns and community organizations. Such freedoms in choice allow for cities to follow HUD's policies within their own situations. As was mentioned previously, the system is not perfect with local opposition often permeating projects, but the flexibility of the system prevents cookie cutter developments not adaptable to differing situations and locations.

Federal Initiatives. Despite a lack of federal participation in public housing developments, some resources were renewed or created to provide funding for local and state governments attempting to provide more affordable housing units. The Housing Trust Fund (HTF) was established through the 2008 Housing and Economic Recovery Act and was designed to provide aid to efforts to “preserve the supply of decent, safe, and sanitary affordable housing for extremely low and very low income households, including homeless families” (HUD Exchange). The fund provides aid for states and state-designated groups for projects at any phase during their development. A majority of the funds are to be used for rental housing, while 10% of the funds may be used each for home ownership and administrative costs, respectfully. All developments funded by the HTF must be funded for a minimum of 30 years (HUD Exchange). The 30-year minimum is implemented to ensure properties are not ignored or fall into disarray over time, which is a common problem among public housing developments.

Part II: Evaluating the Past

With an understanding of the various past and current solutions for the lack of affordable housing, this section begins to evaluate some of the major programs and results. Rather than evaluate each program and policy, key themes have been identified to examine what has worked and what has not worked over the past 80 years. Based on this analysis and evaluation, a final plan for the future of policy and organization will be presented.

Community and Private Partnerships

The market-driven economy’s influence on American affordable housing developments has led to decreased amounts of federal funding and an increase in dependency on private developers (Sazama, 2000). However, partnerships between lenders, developers, and community organizations have shown to be effective and efficient in the construction of more affordable

units. Whether through cooperatives, in which member-residents partially own the property or through partnerships between private developers, local community organizations, and local governments, collaboration empowers local homeowners and results in greater success compared to fully funded private realty groups. Collaboration between local groups and the new unit owners and renters also allows for greater resident training which lowers operating costs for developers and improves the social environment of the property (Sazama, 2000) (Doran, 2015). As will be seen later, poor living and social conditions have been the downfall of many large-scale public housing projects. By collaborating with local community groups, private developers can be made more aware of public needs and local residents can gain access to valuable resources to improve their living conditions.

Other forms of partnerships shown to be particularly effective have been the provision of free and inexpensive land to developers and municipalities for construction of affordable housing developments (Litman, 2017). Some federal bills, such as the McKinney-Vento Act of 1987 have included sections outlying various programs to provide underused and underdeveloped land to groups for local use, which ensures cheaper construction costs. Financial restrictions are one of the most common restrictions within the development of affordable units, so these forms of government aid often ensure more successful projects.

Inclusionary Housing Programs

Along with partnerships, inclusionary housing programs have also shown to be effective in recent years, which explains their nationwide popularity. As mentioned previously, over 300 municipalities, since the 1970s, have implemented inclusionary housing programs assisting hundreds of thousands of low-income citizens. Numerous measures have been developed in recent times to measure a program's effectiveness. One such measure was the Inclusionary

Housing Survey, organized by the Innovative Housing Institute, which was a nationwide survey of some of the most active municipalities in regards to the effectiveness of their programs. The 2015 survey found that over 75,000 units were built or were in the planning stages of development among the survey areas. It was also found that nearly all of the jurisdictions required the inclusionary zones to be kept at affordable renting prices for a minimum of 21 years, with several being mandatory for the life of the unit (Innovative Housing Institute, 2010).

Effective accomplishments of inclusionary housing programs have been reached in other areas, such as Washington D.C. According to a Brookings Institute report, inclusionary-zoned areas in D.C. and the surrounding area have produced thousands of affordable units for use by low-income households in diverse racial communities. The units have also been constructed with very little cost to the local community and distributed evenly throughout the various counties of the area (Brown, 2001). An even distribution has prevented the segregation and clumping of low-income households and led to more families being placed in developed and safe neighborhoods.

Managing Local Opposition

As mentioned previously, managing local opposition has proven to be a common barrier of entry for many developers and organizations attempting to construct more forms of affordable housing in communities. Improved partnership and communication practices, as well as increasing effective responses to community concerns can improve these progress-preventing dynamics. Some of the most common concerns among local communities are lower property values, raised property taxes, and a fear of lower-income neighbors. By improving educational programs for local citizens about the types of people occupying low-rent facilities and offering tax deferments, developers and local governments can better manage the local opposition. Additionally, recent research has shown an increase in local property values when higher density

developments enter into neighborhoods, which can quell the fears of many local citizens (Litman, 2017). Simple changes in approach and response to community concerns can increase positive effects on the future implementation and success of public housing projects and developments.

Housing Maintenance and Upkeep

Above all else, poorly operated and unkempt public housing projects has been the biggest downfall in maintaining adequate and sufficient affordable housing for low-income citizens. Acting as a form of racial segregation and as a way to minimize construction costs, high-rise public housing developments were the crown jewel of poorly ran and up kept developments. Through these projects, residents, typically very low-income minorities were isolated together in large groups. In 1979, minorities represented over 60 percent of all public housing tenants and by 1988, the average income for these respective households was only one-fifth of the national average. The isolation of these groups into warehouse-style buildings with few amenities or aesthetic qualities created a stigma of degradation and segregation. The Federal Government eventually abandoned high-rise buildings during the 1970s, which left thousands of minority low-income residents without affordable housing, as well as local governments without the necessary funds to construct new units (Atlas & Dreier, 1994). The essential abandonment of federal policy initiatives after the 1980s has left many members of this population without access to affordable housing in safe communities in sufficient conditions. The construction of high-rise developments in large urban areas during the 1960s and 1970s was an attempt at providing more affordable units at a fraction of the cost, but its ultimate disaster has proven to be a failure in the history of public housing projects.

Part III: A Plan for the Future

Generating sufficient and maintainable affordable housing for a country the size of the United States is a large and complicated task. In order to sufficiently organize and generate a plan to solve the various issues that arise in this field of politics and urban planning, a realistic and forward-looking approach is necessary. The rational planning approach is five-step model often used in urban planning and policy development to construct a realistic and organized solution. The five steps of the model include, identifying the problem, exploring all possible solutions, legitimizing a plan, implementing the new policy, and evaluating the outcomes with a preconceived set of criteria. Using the information and evidence presented above, the rational planning approach will be used to construct a plan for future policy development and community organization involvement.

First, it is vital to identify the problem attempting to be solved. Although much of this thesis has been accomplishing this task, for the sake of clarity, both the content and the scope of the problem should be restated. In other words, politicians and decision-makers should identify the area of homelessness they wish to work in, as well as the number of people affected by the respective issue. In the large area of homelessness and low-income services available to Americans in need, affordable housing is one of the most profound issues. According to a 2015 HUD report to Congress, only 4 million affordable units were available to over 10 million extremely low-income renters and only 12 million units were available to nearly 20 million very low-income renters nationwide (Doran, 2015). This most likely only serves as a portion of the large population that requires a steady shelter to call home. Finding solutions for this lack of housing units should be the federal and local governments main concern.

With the problem identified and specified, policymakers must begin to explore all possible solutions. During this process, ideas must be rational and bounded within the deadlines and preventions set forth by their current circumstances. Some of these possible deadlines and preventions could be resources, budgetary constraints, and a shortage of time. After exploring all possible rationally bounded solutions, the group must choose one to actively pursue. For the sake of this plan, a few courses of action will be highlighted and recommended. The arena of affordable housing is a large, complicated matter requiring several different types of legislation and initiatives over the course of a bill. The following recommendations serve as a guide to the specific financial numbers and initiatives required.

With the recent inauguration of President Trump and the appointment of Ben Carson as the Secretary of Housing and Urban Development, I will bound the following recommendations within the remainder of President Trump's term in office. First and foremost, President Trump and Secretary Carson must take this opportunity to reinvigorate federal leadership of affordable housing policies. As evidenced in part 1 of this thesis, the last 30 years have seen relatively little federal policy in regards to affordable and public housing projects. Outside of restructuring efforts of past bills and the occasional federal fund, such as the Housing Trust Fund of 2008, no renewed efforts have been made to originate new policy. Not only do private developers receive fewer incentives to fund new housing projects, but also American citizens have begun to focus on other concerns over time. A renewed federal focus would not only provide much needed aid and funding to local municipalities and private developers, but also raise awareness nationwide for a problem affecting many underserved citizens.

Second, future legislation and initiatives must contain an increased focus on sustainable housing. Along with this, on the local and state level, inclusionary housing programs must be

maintained and expanded. The Times Square Hotel serves as a model for the success stories of Inclusionary Housing Programs. The building has been in operation since 1991 and offers affordable housing for low-income and formerly homeless individuals in the heart of Manhattan (Breaking Ground). All too often, public housing projects have been constructed and then abandoned only a few years later due to poor living conditions and high crime rates. Locally, the Robert Taylor Homes and Cabrini-Green are examples of former public housing projects in Chicago that were eventually abandoned and demolished. To provide the best opportunities for low-income and homeless individuals, a focus must be placed on creating developments in more affluent areas with maintained upkeep. This may be done through increased partnerships between the government funders, private investors, and community organizations, or also through legislation such as the Housing Trust Fund of 2008 and the Comprehensive Improvement Assistance Program.

Additionally, a renewed focus on private investing collaboration through federal tax incentives and community organization assistance must be maintained to limit the amount of funds necessary through local taxpayers. Along with this recommendation, it may be helpful to look toward Canada's public housing system as a potential model. The Canadian government, rather than simply providing funds to private developers, increases the responsibilities of local community organizations and municipalities through increased financial assistance. The results are smaller developments constructed collaboratively between private investors and the local community (Dreier & Hulchanski, 1990). Increased partnerships will raise community responsibility and create sustainable units for low-income and homeless individuals and families.

At this point in the policymaking process, the necessary government branch must approve the proposed solution, whether it is executive, legislative, or judicial. Along with their

approval, the government branch will formulate and attach a budget for the program. Numerous factors may impact the budget for the program, dependent on the content and scope of the problem, and other public and governmental factors. Additionally, it is important at this phase to include some sort of evaluative or assessment model to gauge the success or failure of the future program in addressing the problem. On the federal level, the Department of Housing of Urban Development, within the executive branch, must be the leader of any national policies and funding initiatives. Additionally, Congress will be involved in constructing and passing any proposed plans. Due to the nature of community choice within affordable and public housing projects, state governments will also play a role in funding local municipalities and monitoring community development projects. On the local level, city housing authorities control most of the decision-making abilities and are the enforcer of local, state, and federal regulations. The budget for any future projects will be largely related to the tax breaks and incentives provided to private developers, as well as the federal mortgage and loan repayment assistance programs provided to homeowners and low-income renters. In order to ensure increased funding in these areas, as well as to community organizations and state governments through housing funds, budgeting efforts will be necessary. Current and proposed budget cuts in certain social service areas and education may provide increased funding opportunities, but other federal action will also be necessary.

After evaluating all other alternatives and receiving approval from the necessary channels, the plan is implemented into society. Communication is of the utmost importance during this stage for both the sake of effective problem-solving and successful implementation. The attitudes of individuals and groups must be taken into account as the program is implemented by the select agency as to receive the best results. During this stage, better management of local opposition is vital to the development's success and longevity. A

partnership between local community members and private developers, much like Canada's system mentioned above, will help ease community opposition and create an easier implementation. Large-scale public relation plans will be required to maintain productive discussion and to address fears and concerns of the local community.

The final stage is evaluation. Using measures previously decided on, the necessary agency or group must evaluate the effectiveness of the program in relation to the content and scope of the problem identified in step one. It is also necessary to evaluate the efficiency of the program in terms of a cost-benefits analysis. Costs include the money and human capital used during the implementation stage. At this point, the agency may decide to cut the program if the evaluation is not what they planned for, or they may continue with the project in hopes it will continue to solve the problem. Of particular interest with affordable housing policies and developments, is the invested interest of the developers, local government, and community members. Maintaining developments and developer interest in areas is an important evaluative tool. As developers and local community members become disengaged from products, changes may need to be made to local incentives or funding strategies to encourage further public support and unit maintenance. The most vital form of evaluation will most likely be budgetary in nature and completed through the cost-analysis of the developments in relation to federal funding, private developer incentives, and tax contributions by private citizens. Local municipalities will likely vary in their evaluations, as different circumstances will lead to individualized plans.

Conclusion

A lack of affordable housing is a large-scale phenomenon impacting people across the United States in communities, both large and small. The problem not only affects homeless citizens, but any household paying more than 30% of their income on gross housing costs.

Housing costs may include monthly rent, mortgage and loan payments, and utilities. Due to these varying factors, finding realistic and effective solutions has proved troublesome for American policymakers and local municipalities.

The aftermath of the Great Depression and beginnings of World War II spurred the beginnings of public housing policies on the federal level. From the start of mortgage repayment assistance and federal funding to cities and states for public housing projects during the 1930s and 1940s to more specialized policy initiatives with the development of the Department of Housing and Urban Development in 1965, the Federal Government placed a greater focus on affordable housing until the early 1990s. Since then, local and state governments and community organizations have been largely left to their own resources to provide more affordable housing for their citizens.

With the inauguration of President Trump and the appointment of HUD Secretary Ben Carson, a renewed federal leadership on the front of affordable housing must be once again considered a priority. Increased federal leadership, along with a continued focus on partnerships between private developers, local community organizations, and federal funding groups should form the basis of a new future of sustainable and long lasting affordable housing projects.

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