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HILARY SILVER

Homelessness is disproportionately an urban problem. According to the **Annual Homeless Assessment Report** to Congress, 52 percent of the 553,742 people who experienced homelessness on a single night in 2017 lived in the 50 largest U.S. cities. Both the George W. Bush and Barack Obama administrations committed the federal government to preventing and ending homelessness, but the problem has proven to be persistent.

Mayors across the country face relentless pressure to “do something.” The dominant urban stakeholders share a dislike of visible homelessness, which is considered bad for business and bad for property values, and since existing residents—not future ones—vote, mayors and council members tend to act quickly to “clean up” downtowns and remove panhandlers and street sleepers from public spaces—with little interest in where the displaced homeless end up.

Municipal ordinances tend to focus more on displacing and criminalizing homelessness than they do on ending it.

Indeed in recent years, municipal ordinances have focused on **displacing and criminalizing homelessness** rather than ending it. Business improvement districts throughout the United States have **devised ingenious designs** to discourage the homeless from being in commercial areas. They install armrests on benches, spikes on ledges, and nighttime LED lights to discourage sitting or sleeping on flat surfaces. Police routinely sweep the homeless from public parks and stations, confiscating people’s belongings and bulldozing encampments—only to have new tent cities spring up somewhere else, “whack-a-mole” fashion.

Moreover, with their hands tied by the dominant interest in urban politics—protecting property values—planners hide emergency shelters in low-rent districts outside commercial downtowns. In the absence of adequate nearby services, lavatories, and other facilities, people experiencing homelessness camp in central locations where they risk being arrested, fined, and jailed for public loitering, sleeping, urinating, panhandling, and performing other necessary functions in public. The **National Law Center for Homelessness and**

Poverty reports that, in 187 cities surveyed, nuisance laws punishing the life-sustaining conduct of homeless people increased in every category since 2006, and in the cases of camping and living in vehicles, dramatically so.

In addition to the political hurdles, conventional wisdom has always held that mayors face insurmountable “city limits” to accomplishing socially redistributive objectives. Cities, this story goes, are unlikely to develop creative and progressive solutions to serious social problems such as homelessness due to the modest powers and feeble revenue sources of local governments.

But contrary to this well-worn narrative—and indeed these disturbing statistics—there are in fact cities where grassroots advocates have prevailed over stiff local opposition from more powerful “high-end” developers and homeowner interests to promote affordable housing and homeless rights.

Ordinary residents have mobilized, protested, collected persuasive information, assessed innovative programs, raised funds, brought lawsuits, built coalitions, attended hearings, and lobbied officials. Despite the “city limits” narrative, cities do have resources and powers to devise solutions, even if modest, to the persistent problem of homelessness. This suggests that the lack of affordable housing is, at least partly, a matter of political will. Both “normal” democratic politics and movement activism can overcome some of the objections of pro-growth and anti-growth forces to building and subsidizing housing for the poor.

Today, cities around the country *are* reducing homelessness and rapidly rehousing vulnerable families. What follows presents some of the creative ways cities have raised funds and modified regulations to house the homeless.



Despite the limited revenue sources, progressive cities find ways to raise capital to increase the supply of affordable housing. Indeed, one of the last things mayors want to do is raise taxes, but contrary to the “city limits” argument, some have done so.

For example, in September of 2016, Denver’s city council approved a ten-year, \$150 million affordable housing plan, creating a dedicated local funding source for 6,000 additional units. It called for both impact or linkage fees on developers and a property tax increase that would cost a \$300,000 homeowner about \$12 a year. Moreover, to assuage the tension *within* the

homeless assistance community—between shelter and service providers and Housing First proponents—the city persuaded the nonprofit service providers to cooperate by guaranteeing them funding.

The lack of affordable housing is, at least partly, a matter of political will.

In Los Angeles, in March of 2016, over two-thirds of the voters approved Measure H, a county sales tax of .25 percent to pay for \$3.55 billion worth of rental subsidies, counseling, and other services for an estimated 45,000 of the county's 47,000 chronically homeless individuals and families over the next ten years.

Voters around the country have also ratified bond issues, which are paid off by rents over time.

In fall of 2016, for example, Los Angeles voters approved a \$1.2 billion bond measure (Proposition HHH) to finance 10,000 new units of housing for the homeless. In Atlanta, the \$51 million Atlanta Homeless Opportunity Bond Fund will devote \$7.6 million to acquire and renovate shelters and \$16 million to buy or renovate 500 permanent homes for the homeless throughout the city. These bond issues allow ordinary citizens to democratically circumvent the opposition of local organized interests.

In this same vein, social impact bonds are an especially innovative financing technique that repay private investors with the savings in public funds. Denver found that 250 heavy service utilizers cost taxpayers over \$7.3 million a year. Favoring a long-term solution that would stably house these expensive homeless individuals, the city floated a social impact bond that raised \$8.6 million from corporate responsibility donations to this “public purpose.” The city expects to pay out \$9.6 million, a 3.5 percent return to investors, whether or not the expected gains from reduced jail days and shelter nights are realized.

As federal cutbacks and market forces continue to exacerbate the urban housing crisis, it is important to note that some cities are responding by raising and dedicating their own funds. These creative financing solutions still fall short of meeting the need, but cities are demonstrating how political will can challenge the old notion of “city limits.”



The city limits hypothesis also portrays cities as lacking sufficient powers to house the poor. But some cities are showing how to make good use of the powers they do have. Local rent control, for instance, has been widely discredited for depressing mobility and being poorly targeted to need over time. But cities do have control over land use. Zoning and housing codes can serve inclusionary as well as exclusionary purposes.

“Inclusionary housing” policies are effective in high growth markets, but generate fewer affordable units in slow growth cities where homeowners stymie new development. At the state level, inclusionary housing programs often require municipalities to include their “fair share” of affordable units in all new developments up to a quota. The best-known example was imposed by the Mount Laurel decisions, where the courts ordered New Jersey suburbs to build affordable housing in the suburbs as a remedy for discrimination. Despite the protracted homeowner resistance, a careful evaluation by Douglas Massey and associates found that opponents’ dire predictions were never actualized. Most neighbors did not even know that the affordable units were finally built.

In the most expensive boomtowns, cities can take advantage of growth to impose development fees or entice developers to include privately financed affordable units in exchange for density bonuses or air rights. Voluntary linkage policies have been less effective than mandatory ones. In 2016, Mayor Bill de Blasio persuaded the **New York city council** to change the zoning code to compel private developers to build low-cost, below-market rental units. A coalition of unions, business organizations, developers and groups representing older residents prevailed over community boards, building trades unions, and anti-gentrification forces in low-income areas.

Some West Coast cities are also relaxing both zoning and housing codes to allow smaller units, higher-density buildings, and rentals with fewer amenities. As the “tiny house” movement catches on, Los Angeles has provided incentives to place accessory dwellings literally in people’s backyards. Los Angeles County residents are offered up to \$75,000 to build a “**granny flat**” on their lots if they open it up to a homeless family.

Oregon’s Multnomah County has proposed **building up to 300 tiny homes** of 200 square feet, provided landowners will agree to let a homeless family live there for at least 5 years. In 2015 Austin rewrote regulations so people can build “accessory dwelling units” on their properties. Seattle, Nashville, Dallas, and Detroit also have programs to build tiny houses for people priced out of the market. In Baltimore, there is even a job-training program in the construction of tiny houses.

Many West Coast cities are also learning to embrace homeless encampments. While most cities knock down “tent cities,” Seattle, Berkeley, and others are experimenting with legalizing and institutionalizing tent cities. The cities are providing secure land, infrastructure, water, and services. Some offer small bungalows or private cabins, Porta Potties, mobile showers, and security. In Seattle, which has the third largest homeless population of any major metro area, six encampments have been legalized, three of which are funded directly by the city as a means of temporarily addressing its homelessness crisis.

Similarly, Los Angeles Mayor Eric Garcetti **designated a downtown city lot** for trailers to temporarily house some of the estimated 25,000 people sleeping on the street. Other trailers are to be used for showers, bathrooms, and laundry. In fair share fashion, Garcetti called on city council members to identify similar places in all of their districts for the installation of such trailers.

While credited for reducing street homelessness and providing a safer, more hygienic, socially supportive alternative to camps and shelters, these “pop-up villages” are controversial and do not guarantee a permanent, decent place to live.



By pulling together stakeholders at the local level, mayoral leadership and effective community organizing can overcome some of the objections to building and subsidizing permanent housing for the poor. For example, Mayor Bob Buckhorn of Tampa works with the Hillsborough County Clerk of Courts to organize **Operation: REVEILLE**. This “Housing First on steroids” program aims to rapidly rehouse veterans and develop a system of care that ensures they do not end up sleeping on the streets. Every Veterans Day, with food donated by Feeding America, Tampa holds a community event to hand some 100 veterans the key to their own fully furnished apartments, courtesy of partner Ashley Furniture. Over 350 volunteers offer services and serve as buddies to veterans. A source of local civic pride, Operation: REVEILLE has been replicated in seven states across the country.

On its own, conventional politics can often be insufficient to overcome resistance to affordable housing. De Blasio, for instance, has been blasted for siting homeless shelters in some neighborhoods, and Garcetti is feuding with the Los Angeles city council over a linkage fee opponents say will slow development. This is where the burgeoning grassroots YIMBY —“yes in my backyard”—movement offers promise.

Housing activists in environmentally conscious, tech-based boomtowns such as San Francisco, Austin, Seattle, New York, and Cambridge contend that restricting the supply of new housing, especially multi-family, high density, and moderately priced units, is exclusionary and inequitable. They challenge homeowners and longstanding residents who dominate public meetings to oppose new development, protect their own property values, and monopolize the city's most desirable locations.

YIMBY rejects strict zoning and regulations that raise the cost of living beyond what lower-income people, especially those just starting out, can afford, and that push development into low-income neighborhoods, gentrifying them. YIMBY groups argue that denser new development of smaller, more affordable residences can forestall displacement of young, low-income working people and temper ever-rising rents and housing prices. Some employers also support the movement so their workers can commute more easily.

But YIMBY does not promote indiscriminate or for-profit development. It favors affordable housing and sufficient construction to enable one to stay put in one's home and community. As **Sonja Trauss**, head of the San Francisco Bay Area Renters' Federation, a candidate for supervisor, and a founder of YIMBY Action, put it, San Francisco must become "more inclusive and livable."

YIMBY is particularly strong in California where, for decades, there was a set number of housing units, including low-income units, that each city was supposed to build based on projected growth. Many cities lagged in this obligation. Now Sacramento is considering a bill to allow developers to bypass local design and environmental reviews in cities that delay or derail housing construction, often with the blessing of local neighborhood groups, through multiple appeals and years of litigation. This law would place an extraordinary limit on cities' power to use zoning, environmental, and procedural laws to undermine projects deemed out of character.

Politically speaking, supporters of such regulations see themselves as left-wing because they are preventing the enrichment of developers at the expense of the natural environment. A similar left versus left controversy is YIMBY Action's victorious 2014 lawsuit forcing the city of Berkeley to approve a new three-unit building that neighbors opposed, arguing the new residents would take their parking spaces.

Local affordable housing efforts are beginning to hook up in a national movement. In 2016 some 150 activists from around the country convened in Boulder, Colorado, for the

first-ever **YIMBY conference**.



In so many cities, progress seems to be stalled not just by federal and state restraints on resources and authority, but also by a lack of political will. There are still many places with strong opposition to affordable housing and that criminalize or displace people experiencing homelessness. Yet the obstinate regeneration of homelessness and lack of affordable housing in many large, gentrifying cities are becoming key issues in urban politics. No longer content to play to the growth machine or homeowner taxpayers, mayors and city council members are becoming proactive, raising new revenues to finance affordable housing and using land-use and housing regulations to cut through opposition.

This overview of local policies to fight homelessness illustrates both the potential and limitations of city governments and bottom-up politics to realize progressive outcomes. Despite the shortage of federally funded low-income housing and counterproductive federal policies, local experimentation and grassroots citizen pressure are contributing to creative solutions. Cities may confront limits on their tax bases, statutory powers, and political support, but not on good ideas to house the less fortunate.

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