



There's a proven way to help reduce homelessness—so why aren't we using it more?

Alexis Madrigal and Michael Rosen

June 29, 2016

In the Bay Area, where so many young people make so much money and the rents keep getting too-damn higher, the plight of those who simply can't afford a home can be hard to see.

But there are thousands of poor people in San Francisco and the surrounding region, for whom even the tiny supply of low-cost housing is unaffordable. And for these citizens, there's supposed to be a solution: a form of government assistance known as a Housing Choice Voucher, which provides substantial housing assistance to low-income people.

These vouchers, the largest part of the federal government's Section 8 program, are supposed to allow low-income residents to live in market-rate apartments, rather than public housing projects (which have been under attack and declining for decades). People who receive a voucher contribute a fixed percentage of their income toward rent on a property — generally, around 30% — and the vouchers cover the rest. The vouchers are a national program, but they are administered by thousands of local agencies. For example, locally, the San Francisco Housing Authority is in charge of distributing them to residents of the city.

In San Francisco and the surrounding region, homelessness is a huge problem. Officials estimate there are more than 6,600 people living on the streets of the city. In an effort to find solutions that help these citizens, Bay Area news organizations banded together to create the SF Homeless Project, spearheaded by the San Francisco Chronicle. This story appears in the #SFHomelessProject series.

The Housing Choice Vouchers program dates to the 1970s, as a solution to low-income housing backed by what a Cato Institute paper calls “rock-hard conservatives.” Yet, now, many liberal and centrist housing policy analysts support the voucher programs as an alternative to public housing, and the best available solution for people with very little income.

“Vouchers sharply reduce homelessness and other hardships, lift more than a million people out of poverty, and give families an opportunity to move to safer, less poor neighborhoods,” summarized the non-partisan (but generally progressive) thinktank Center on Budget and Policy Priorities. “These effects, in turn, are closely linked to educational, developmental, and health benefits that can improve children’s long-term prospects and reduce costs in other public programs.”

Despite (at least nominal) bipartisan support and the proven benefits of the vouchers, the program remains woefully underfunded.

In 2014, the federal appropriation for Housing Choice Vouchers was \$18 billion, which is not nearly enough to meet the demand. The Congressional Budget Office estimates that only a quarter of the 20 million renter households that *could* receive assistance actually do.

“Other countries, in Europe in particular, you have automatic subsidies to help pay the rent,” New School sociologist Alex Schwartz told Fusion. “But in this country, you have to apply and the supply is very limited.”

In expensive areas like San Francisco, that can mean a long road waiting for a Housing Choice Voucher. Families stall for years, even decades, before finally emerging from the interminable waitlist, if they can even get on the waitlist in the first place. (It is currently closed.) Meanwhile, irreversible damage can be done to the youngest low-income people.

“They’re sleeping on mats in emergency shelters,” Jennifer Friedenbach, the director of the Coalition on Homelessness, told Fusion. “They’re falling behind scholastically. They’re moving from place to place, being forced into situations where they’re witnessing violence. It’s really awful for folks.”

But there is no ironclad rule that funding for housing vouchers could not be increased. And in fact, there is a very obvious mechanism for doing so. Right now, the biggest government giveaway for private citizens is the mortgage interest tax deduction that millions of homeowners get. Not only is this a \$69 billion tax giveaway—the second largest tax break in America—64% of the benefits go to people making more than \$100,000 a year, according to a 2014 economic analysis.

Countries like Canada, the UK, and Australia do not have mortgage interest tax deductions, yet have similar rates of home ownership. So, why not pull back on tax breaks for the relatively well-off to help the poorest among us?

Daniel Hertz of the thinktank City Observatory made precisely this argument in an article last month. Based on the Congressional Budget Office’s calculations, it would take just \$41 billion more per year to fully fund a voucher program that would keep people like the folks Friedenbach works with with a roof over their heads. That’s significantly less money than we give away to relatively wealthy people, in the form of the mortgage interest tax deduction.

“It’s not really even a matter of the money available,” Schwartz said, “it’s how we spend it.”

For America’s poorest people, the cost of housing boggles the mind. As traced in the recent award-winning book, *Evicted*, by Harvard anthropologist Matthew Desmond, keeping a roof

over one's head at very low-income levels is a neverending struggle. "Today, the majority of poor renting families in America spend over half of their income on housing, and at least one in four dedicates over 70 percent to paying the rent and keeping the lights on," Desmond writes.

This means that the poorest Americans are often evicted, destabilizing a person or family's whole life, with predictably terrible outcomes, including homelessness.

"For almost a century, there has been broad consensus in America that families should spend no more than 30 percent of their income on housing. Until recently, most renting families met this goal. But times have changed... across America," Desmond writes. "Every year in this country, people are evicted from their homes not by the tens of thousands or even the hundreds of thousands but by the millions."

These evictions, predictably, fall unevenly across racial and gender lines. In Milwaukee, where Desmond did his ethnographic research, *1 in 5* black women had been evicted during their lifetimes, compared with 1 in 12 Hispanic women and 1 in 15 white women.

Desmond's work is a book-length argument that housing is an interlinked but independent variable in determining the life outcomes of the very poor. And right now, an expansion of the country's voucher program could help improve those outcomes and reduce homelessness.

Of course, the there-is-no-silver-bullet caveat applies. In a very expensive housing market like the Bay Area's, many issues would remain. Hertz of [City Observatory](#) told Fusion that even if every single low-income person were theoretically capable of accessing the voucher program, landlords can be hesitant to accept Section 8 housing, especially in expensive areas like San Francisco and Oakland. There's red tape to wade through, landlords often discriminate against those with housing vouchers, and the low "fair market rates" assigned by the Housing and Urban Development department make it very difficult to find a reasonable place to live.

A story in the *San Francisco Chronicle* [exemplifies this phenomenon](#).

In Berkeley, rents have climbed so high that Section 8 vouchers have "basically been rendered useless," said Tia Ingram, head of the city's housing authority.

"If you just go on Craigslist, probably 8 out of 10 listings will say 'no Section 8,'" she said, adding that even some landlords in Berkeley who have a history of working with the program are now opting out. In one case, she said, a landlord was able to raise the monthly rent for a two-bedroom apartment from \$1,743 to \$2,500 after a Section 8 tenant moved out.

At the time of publication, there were 1,089 listings in the San Francisco Bay Area Craigslist that listed "No Section 8" in their occupancy requirements.

PLEASE READ ENTIRE POST BEFORE YOU REPLY

This totally remodeled 1 bed 1 bath home is located off E Harding Ave new features include:

New Tile through out
New Kitchen cabinets
New Granite counter top
Fully remodeled bathroom
New Paint
New Blinds
Dual Pane Windows
Stove and Fridge provided
Close to the 4, 5 and 99 freeways

2 Houses on one property and they share the same yard.

Tenant pays for Electricity, Gas, Sewer and Garbage.
Landlord pays for water

Deposit: \$675
Rent:\$675
First month rent and security deposit due at signing
Rental Insurance Required

Maximum Occupancy: 2 people
Credit and Background check \$35 per adult applicant 18yrs and older
(RENTAL QUALIFICATIONS: VERIFIABLE INCOME 3 X RENT, RENTAL REFERENCES, AND GOOD CREDIT).

NO Pets
NO Section 8/Evictions
NO Smoking

In an expanded-voucher world, there might be some solutions to the problems highlighted here. Hertz points to a pilot program called “Small Area FMRs” that seek to adjust the “fair market rate” to match the zip code of the apartment or house. If you live in the popular Mission district, for example, your voucher would go further than someone living in a less expensive area of the city.

Housing is a human need—and like food assistance—all citizens should have a right to help keeping a roof over their heads.

“You can’t expect people in places where housing is uncertain to thrive,” said Rutgers housing historian Beryl Satter. “It’s how you live, it’s how a child grows up, it’s how elderly people survive. You can’t really treat it as a commodity in the way that it is being treated.”