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# Housing First but Not Only, and Certainly Not Forever

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Homelessness is a growing issue in America, and a “housing first” approach has failed to fix it. This policy proposal introduces the reader to the homelessness crisis in America, to previous attempts to solve it, and to the new housing act proposal

## **Problem Overview**

In 2022, 582,462 people were experiencing homelessness in America, a population almost 10 percent larger than in 2017.<sup>1</sup> Downtown areas in large cities like Los Angeles, New York City, San Francisco, Portland, Oregon, and Philadelphia have been taken over by tents and improvised beds housing whole families to single individuals. Not coincidentally, the cities where homelessness seems to be out of control are also the greatest advocates for a policy paradigm called housing first—which has clearly failed.

The Department of Housing and Urban Development (HUD) defines homelessness as “an individual or family who lacks a fixed, regular, and adequate nighttime residence.”<sup>2</sup> HUD classifies the homeless population according to categories (literally homeless, at imminent risk of homelessness, homeless under other federal statutes, and fleeing or attempting to flee domestic violence) and types (chronic, transitional, episodic, and hidden).<sup>3</sup> In a recent study among the homeless population in major cities across America, the main causes of homelessness were described as: (1) lack of affordable housing, (2) unemployment, (3) poverty, (4) mental illness and the lack of needed services, and (5) substance abuse and the lack of needed services.<sup>4</sup>

## **Legislative History**

To fight this catastrophic scenario, the American government has historically guided its housing policies through different paradigms. Until the 1970s, homelessness was considered a local issue, and there were no federal policies in place to assist or eliminate episodes of homelessness.

The first federal legislation targeting the issue of homelessness, the McKinney Act, was put into effect in 1977, establishing an official definition for homelessness and allocating federal funds to homeless shelters and institutions for the first time. Through the years and administrations, the McKinney Act was altered as an attempt to answer the ongoing growth of homelessness in America and the social challenges deriving from it. The act itself contained nine titles, in which fifteen new programs were created to ensure the provision of a wide range of services to the homeless, such as education, professional training, health care, and emergency, transitional, and permanent housing.<sup>5</sup> The act followed the so-called linear approach to homelessness, which consists of guiding individuals out of homelessness “from

streets to shelter, then to a service-enhanced transitional housing program, and then to permanent housing, either publicly subsidized or private.”<sup>6</sup>

It was only in the late 1990s and early 2000s that another approach to homelessness began to be considered. The Housing First paradigm was developed in 1992 by Sam Tsemberis, proposing that housing should be understood as a human right and therefore should be provided by the state to all citizens struggling to ensure it by themselves. Unlike the McKinney Act rules, Tsemberis argued that housing should be granted regardless of clients’ participation in “supportive services” such as substance abuse rehabilitation and professional workshops.<sup>7</sup> He regarded these supportive services as “less critical,” and therefore less urgent, than the issues of hunger and homelessness.<sup>8</sup> Although the Housing First model was designed to target chronic homelessness (about 25 percent of the homeless population in America), it became enforced as a universal solution to all types of homelessness through the Homeless Emergency Assistance and Rapid Transition to Housing Act (HEARTH Act) of 2009, signed by President Obama. And this is when homelessness became out of control.

## **Data Analysis**

Distorting the original intent of Housing First and making it the single guideline for housing policies in America has caused deep damage in areas such as public housing infrastructure, social recovery of clients, and costs related to the program.

On one hand, records indicate that the Housing First approach has doubled the number of permanent housing units.<sup>9</sup> It has brought the average time a person stays homeless down to as little as two months.<sup>10</sup> And it has achieved a housing retention rate of 91 percent for clients who were rapidly housed.<sup>11</sup>

On the other hand, looked at through a humanitarian lens, making Housing First a one-size-fits-all kind of policy has caused more damage than benefit, especially to its own clients. A recent HUD study found that the number of residents with a co-occurring substance abuse and mental disorder increased from 88 percent to 93 percent after entering the permanent housing program.<sup>12</sup> Likewise, a study comparing a Housing First population and a noninterventional control group in Canada showed that the Housing First group, with all the support and assistance provided, had higher rates of substance abuse and deaths than the control group, despite having a higher housing retention rate.<sup>13</sup> Housing First may be effective in retaining clients, but not in helping them recover. Is social reintegration even a goal for Housing First advocates?

Lastly, through the fiscal responsibility lens, there is sufficient evidence that permanent housing can reduce emergency services demand and, consequently, costs.<sup>14</sup> However, these studies fail to include that the average permanent housing client stays an average of twenty-three years under government assistance.<sup>15</sup> Even though Housing First’s costs can be immediately lowered, they become higher when

multiplied by the number of years one client can remain at a government facility.<sup>16</sup> Housing First facilities take a long time to build and are extremely expensive. An example is Proposition HHH, which allowed the city of Los Angeles to invest \$1.1 billion in building permanent housing facilities to “end” homelessness in the city. With almost 95 percent of the budget spent, not even 50 percent of the promised housing units were delivered, leading the city to have a higher unsheltered homeless population now than when the proposition was approved in 2016.<sup>17</sup>

## **Proposal Recommendation and Criteria for Success**

Considering the failure of the Housing First model as a universal solution to poverty in America, a new housing act must be quickly enacted by the federal government through three key steps:

### **1. Housing First, but not only—Federal funding for “Treatment First” organizations**

The new housing act includes and accepts other approaches to homelessness, such as Treatment First. These alternative approaches could derive from the “linear” paradigm, instituted in 1987 by the McKinney-Vento Act, and have been confirmed as efficient in tackling the root causes that led people into homelessness in the first place.<sup>18</sup> While the Housing First model was designed to solve chronic homelessness, Treatment First is mostly indicated for transitional and episodic homelessness.

### **2. Housing First, but not forever—Financial Incentives to Overcome Homelessness**

Housing First programs tend to place little emphasis on individual behavioral recovery, increasing the length of dependency on governmental aid. But why should taxpayers be forced to continually sponsor policies that make individuals forever dependent on aid instead of sponsoring ones that promote individual development and reintegration?

The new housing act will instruct every housing facility in America, temporary or permanent, to develop programs in which clients with verified progress in overcoming addictions will be financially rewarded. This reward will encourage them to maintain continuous progress, leading them to social reinsertion. Adding such indicators as preconditions for grants and public funding will certainly stimulate local and state authorities to invest more into recovery than into maintenance.

### **3. Homelessness Prevention—My Own Housing First**

A third aspect to be tackled is homelessness prevention. The Department of Health and Human Services has created the “housing insecurity” index, which measures the “lack of security in an individual shelter” within cities and states, also considering

different age and social groups.<sup>19</sup> The new housing act demands that local and state governments report their actions on homelessness prevention every time a region enters the list of housing insecurity. Following up on economic indicators and quickly acting as the risk of homelessness is identified will be an effective measure to assure that families and individuals can keep “their own housing first,” avoiding further need of public services.

## **Conclusion**

Homelessness has gone out of control in cities that have wholeheartedly embraced the Housing First model, such as Los Angeles, San Francisco, Portland, Oregon, and New York City. It is time for a new and more realistic paradigm to guide housing policies in America, one that will provide proper care to people in need at the same time as it respects taxpayers. The evidence provided in this policy proposal suggests that it may be less complicated than what is commonly portrayed if the stakeholders involved are truly dedicated to solving the issue of homelessness instead of proving their point. The new housing act—“Housing First but not only, and not always”—is politically appealing, economically feasible, and constitutionally sound. It can reduce costs and promote social reinsertion, assisting citizens in housing vulnerability to regain their dignity and personal independence.

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