



Wilbur Jones of Cincinnati (center) at the October 7 Housing Now! pre-march rally on the Washington Monument grounds.

By Doug Turetsky

FOR NEARLY TWO YEARS EARLENE SCALES HAS lived in a shelter for homeless women in Homestead, Pa. Holding two dog-eared letters from doctors, she recounts the serious illness that led her first into the hospital and eventually into homelessness. Standing on the Mall in Washington, D.C., on October 7, Scales looks up from the letters and surveys the thousands of people who have come to de-

mand that the federal government increase its funding for housing. "I feel good that people are caring," she says.

Robin Townes, a 29-year-old homeless woman with two young children, agrees. For the past seven months she and her family have lived in the Madison Hotel, a welfare hotel in New York City. She looks across the Mall, where a sea of demonstrators stretches from the Capitol to the Washington Monument, and comments, "It warms my heart, but it also saddens me because it is such a nationwide problem."

From the nation's inner cities to its rural hamlets, rising homelessness and the growing need for affordable housing is gaining public attention. The Housing Now! march, which drew more than 100,000 people from across the country, would have been unlikely to gain such support only a few years ago.

March organizers, led by homeless advocate Mitch Snyder, Barry Zigas of the National Low Income Housing Coalition, Rev. Joseph Lowery of the Southern Christian Leadership Conference and Louisa Stark of the National Coalition for the Homeless garnered widespread endorsements for the

Marchers demonstrate depth of housing crisis

event. They were joined at the October 7 rally by supporters ranging from Mayor Raymond Flynn of Boston to Hollywood stars Valerie Harper and Jon Voight to Rev. Jesse Jackson. A special children's march proceeded to the Capitol steps, where some 65 little red wagons laden with letters requesting aid for the homeless were presented to House Speaker Thomas Foley (D-WA). Labor unions, the U.S. Conference of Mayors and the National Organization for Women were among the more than 200 na-

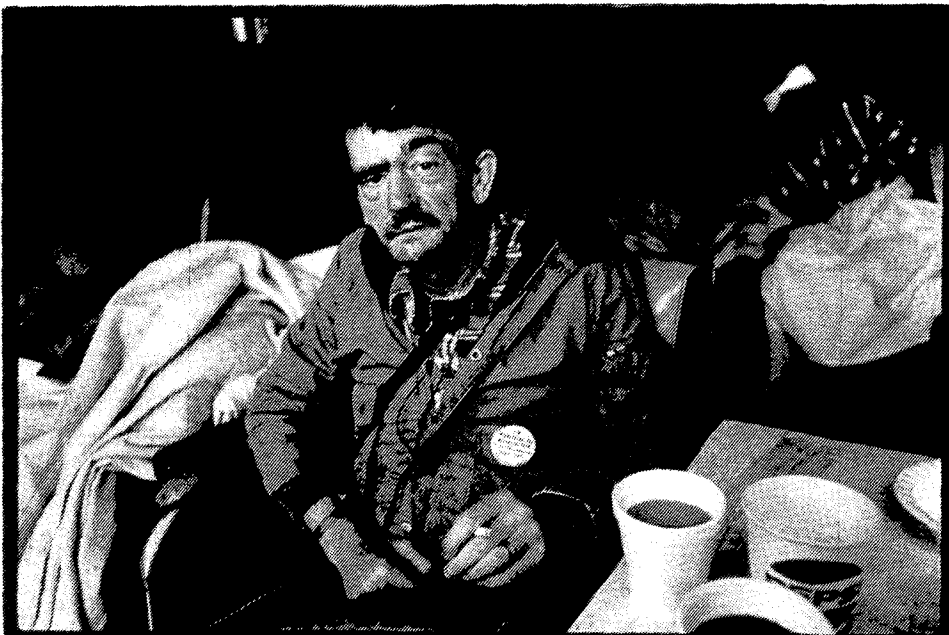
tional groups that endorsed the march. With estimates of 350,000 to 3 million people homeless in the U.S. and hundreds of thousands more living doubled and tripled up in overcrowded apartments, the housing crisis has literally thrust itself onto the nation's doorstep.

Nowhere to go: The marked growth of the twin crises of homelessness and lack of affordable housing can be traced to the precipitous drop in new federal funding of housing programs during the Reagan years—

from \$32 billion in 1978 to \$8 billion 10 years later. But federal housing funds have always been inadequate, says Cushing Dolbeare, a housing policy analyst. "Even if we had kept the level of the Ford administration, which is the highest it has ever been, we'd still have a terrible problem," she says.

Although President George Bush has denied the connection, homelessness is directly related to the diminishing availability of affordable housing. In fact, families are the fastest growing segment of the homeless population. According to the National Low Income Housing Information Service (LIHIS), at least one-third of all renter households in the U.S. cannot afford the average cost of a one-bedroom apartment in their home state (using the federal yardstick of spending up to 30 percent of income on rent as the measure of affordability). In six states—Maine, Nevada, Rhode Island, Vermont, California and Massachusetts—a one-bedroom apartment is unaffordable to more than half the renter households. The Aid to Families with Dependent Children grant for a three-person family doesn't cover the cost of the average two-bedroom apartment in 42 states.

As poverty has grown in the U.S., the number of low-cost apartments has shrunk. Figures compiled by the federal Department of Housing and Urban Development and the Census Bureau, and analyzed by the Center on Budget and Policy Priorities and LIHIS, illustrate the problem's staggering dimensions. In 1970 there were 9.7 million apartments renting for \$250, which is affordable, using the 30 percent yardstick, to households with annual incomes of \$10,000. By 1985 the number of apartments renting for \$250 had dropped to 7.9 million, while the number of renter households earning \$10,000 or less annually had swelled to 11.6



A homeless man waits for medicine. Due to lack of medical services, many marchers fell ill.

million. The net result: 5.8 million renter households pay more than 30 percent of their incomes for rent. Three million U.S. households spend at least 70 percent of their incomes on rent and utilities.

But many housing experts question the 30 percent measure, charging that the yardstick unduly burdens the poor. Even if a household

Some argue that the deficit precludes any large funding increase for low-income housing. But one speaker noted that Congress has found \$150 billion for the savings and loan bailout.

earning \$10,000 is lucky enough to find an apartment renting for only \$250, that leaves just \$7,000 for such necessities as food, clothing and medical expenses. Although wealthier households have fueled the luxury condominium boom, they generally spend a significantly smaller percentage of their incomes on housing than do the poor. For example, households with incomes between \$40,000 and \$60,000 spend, on the average, just 14 percent of that for housing.

Despite such facts, federal housing assistance remains far more generous to the well-off. Much political hay was made of Congress' \$700 million increase in last year's housing budget. But that figure pales in relation to the extent of federal assistance to homeowners. Cushing Dolbeare estimates that in the coming fiscal year, income tax deductions for mortgage interest and property taxes will save homeowners approximately \$54 billion.

Many, including legislators on Capitol Hill, argue that the federal budget deficit precludes any large increase in federal funding for low-income housing. But Gov. Richard Celeste (D-OH), who spoke at the Housing Now! demonstration, noted that Congress has recently been able to find more than \$150 billion for the savings and loan bailout, as well as \$1 billion to aid the victims of Hurricane Hugo in South Carolina.

Start making sense: Even among those who are well—and affordably—housed, there's a growing awareness that federal

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A sea of demonstrators stretches to the Washington Monument.

New York's massive outlay just a drop in bucket

In neighborhoods like Harlem and the South Bronx, some of the poorest in New York, renovation of rows of abandoned and dilapidated buildings has reached a feverish pace. Under a \$5.1 billion program first announced three years ago by Mayor Edward Koch, the city is using an unprecedented amount of its own funds to build and rehabilitate housing.

A recent study by the New School for Social Research puts the size of the city's funding commitment in national perspective. Last year New York spent \$740 million for housing, more than three times the amount spent by the next 50 largest cities combined. By contrast, Los Angeles spent \$50 million and Chicago just \$2 million.

Despite its comparatively enormous expenditure, New York remains a long way from successfully dealing with its homeless crisis and immense shortage of affordable

housing. Before leaving to take a job with the Trump Organization several years ago, former New York Housing Commissioner Anthony Gliedman said it would take an immediate infusion of \$20 billion to solve the city's housing crisis and then cost \$2 billion a year just to keep it from sliding back into a crisis situation.

But it's not a shortage of funds that draws criticism to the mayor's 10-year housing plan, which mayoral candidates David Dinkins and Rudolph Giuliani say they would continue. It's the way funds are used that rankles many activists, and has led to a lawsuit filed in state Supreme Court by the Housing Justice Campaign to halt the program.

A recent report by Philip Weitzman, a former city assistant commissioner for policy analysis and research, notes that the 660,000 New York households in need

of assistance have a median income of just \$8,000. Yet little of the housing being built under the 10-year plan will be affordable to these households. A study by the Association for Neighborhood Housing and Development (ANHD) has found that in addition to the 15,000 apartments being built for the homeless (activists estimate there are 70,000 homeless in the city), just 87 units will be affordable for families earning \$10,000 or less a year. In fact, of the nearly 84,000 units scheduled to be built, roughly 40 percent will be for families the city defines as middle-income.

Although the city repeatedly proclaims that most of the money allocated for the 10-year plan will be spent on housing for low- and moderate-income families, much of that funding will go to renovate already-occupied apartments owned by the city. As housing advocates point out, the city is taking credit for doing what is

required of any other landlord—maintaining and improving their property.

Housing activists such as Bonnie Brower of ANHD charge that the 10-year plan is really a blueprint for gentrification and displacement in many lower-income neighborhoods. They point to schemes like the one proposed for the Seward Park Urban Renewal Area on the Lower East Side, where the city will subsidize the Lefrak Organization's plan for 400 luxury condos, 640 middle-income apartments and a smattering of lower-income units.

Much of the city's housing plan apparently rests on trickle-down theory: as housing opportunities are opened for middle-income New Yorkers, relatively affordable apartments will become available for lower-income families. There's scant evidence that this occurs. Unless it retargets its funds to help those most in need, the city will fail to strike at the heart of its homeless crisis.

—D.T.