

## POLICY BRIEF

# Guaranteed Housing

By Jeremie Greer and Emanuel Nieves<sup>1</sup>

“Housing is a human right. There can be no fairness or justice in a society in which some live in homelessness, or in the shadow of that risk, while others cannot even imagine it.”

– *Jordan Flaherty*, *Floodlines: Community and Resistance from Katrina to the Jena Six*.

## The Problem

[Housing is a basic human right](#), but in the United States, far too few are granted it—despite [over 75% of Americans believing in this notion](#). This especially harms Black, Indigenous, Latinx, Asian, and Pacific Islander people who do not have access to safe, secure, quality housing and who are instead confronted with an extractive market that has commodified what should be a public good. This is because our nation’s private housing market is a core pillar of the [Oppression Economy](#) in which racism is not only profitable but also fuels a cycle of oppression that depresses our economic and political vitality. Rooted in the theft of Indigenous land, today’s housing system is defined by discrimination, disinvestment in public housing, and countless other injustices that have long constrained the economic well-being of people of color<sup>2</sup> and endangered their lives.

The federal government built our nation’s current housing market through systemic racism, such as “[redlining](#)” and “[urban renewal](#),” intentionally designed to racially [segregate, strip away wealth](#), and ultimately [completely eradicate communities of color](#). Enabled by our government and its racist policy choices, the corporate elite are the beneficiaries of this system, using it to further [exclude](#) and exploit people of color for their own profit.

This is the root cause of today’s housing crisis: Rather than provide stable housing for all, we are trapped in a system that exists to take from the most vulnerable and ultimately serve white supremacy. Today, over 55% of Black and Latinx renters [spend](#) 30% or more of their income on rent alone, compared to 46% of white households. Additionally, [Black and Latinx renters are more likely to face eviction](#), and people of color make up over half of the over 580,000 people who are currently

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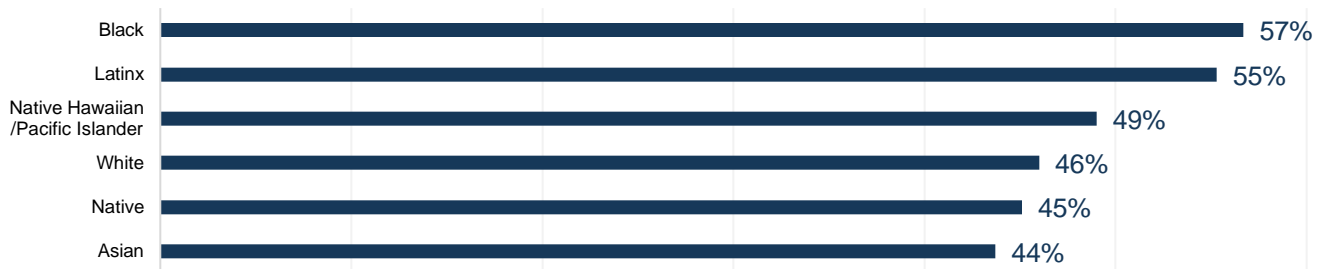
<sup>1</sup> The authors would like to thank [Kevin Simowitz](#) and [Tara Raghuv eer](#) for their time and insights during the development of this policy brief.

<sup>2</sup> Throughout this document, we will use the terms “people of color,” “communities of color,” “workers of color,” and other similar phrases to refer to Black, Latinx, Indigenous, Asian, and Pacific Islander people. We use this term not to erase the experience of any particular group but to demonstrate the shared impact that systemic racism and white supremacy have had on these racial groups. We recognize that these impacts are not equal across groups and that some groups have suffered collectively more than others. Where the experiences of a particular racial and/or ethnic group are uniquely illustrative, we will refer to that group directly.

experiencing [homelessness](#). The racial discrimination that infects the US housing market and its resulting disparities are compounded by [sexism](#), [homophobia and transphobia](#), and [ableism](#), and other biases that dominate US policy and politics.

### Cost Burden Renters (2019)

*percentage of renters spending 30% or more of their household income on housing costs*



Source: [Prosperity Now Scorecard](#)

In our vision of a [Liberation Economy](#), the racism existing within our housing market will be dismantled, and all people of color will have a guaranteed right to safe, secure housing that does not rob them of economic security. **To establish such a right, we join a movement of community organizers, tenants, and other leaders of color in calling for the enactment of a federal [Homes Guarantee](#), a bold and transformative solution that would see the federal government guarantee housing to every person that needs it.**

## The Policy Solution and the Potential Benefit for People of Color

Led by [People's Action](#) and designed by tenants, residents of public and subsidized housing, and people experiencing homelessness, a national [Homes Guarantee](#) sets forth a bold new vision for housing justice—one that will rectify centuries of economic oppression inflicted by elites in power and against people of color through racist federal housing policy. Centered around creating 12 million units of social housing over the next decade, the central tenet of a national Homes Guarantee is to eliminate market domination and make affordable housing a *permanent* institution in the US. Separating affordable housing from the profit-seeking motives that drive the housing market, a federal guaranteed housing program would not only provide housing security to millions of people of color, but it would also erase our nation's affordable- and available-housing shortage, which is [estimated](#) to be nearly 7 million homes.

A [Homes Guarantee](#) challenges the flawed notion that only the private housing market can provide "safe, accessible, sustainable, and permanently affordable" housing. This lie has driven the proliferation of market-based solutions, such as the [Low-Income Housing Tax Credit \(LIHTC\)](#), which have largely failed to [ensure that all people of color](#), particularly low-income renters, have access to safe, secure housing that does not rob them of economic security. Finally, and most importantly, the [Homes Guarantee](#) seeks to empower renters who have been devalued by our society, namely government and market actors, that overemphasize homeownership. The corporate elite's

disempowerment of renters is fueled by racialized narratives to justify a range of racist policy actions. A national guaranteed housing program aims to empower renters as a political and economic class by positioning them to place greater demands on our government to protect their right to safe and secure housing.

## Moving Toward Liberation: Guaranteed Housing Policy Design

No single policy can reverse the generational oppression borne from the US housing market. However, comprehensive approaches offered through a guaranteed housing program provide us with an effective path toward delivering on the safety and security envisioned in a [Liberation Economy](#). In following the intellectual lead of the [Homes Guarantee Briefing Book](#), the following overview of select guaranteed housing policies would begin to allow us to dismantle our current oppressive housing system and, in its place, build an inclusive system that ensures that all people of color have access to a home that is safe, healthy, and affordable.

### 1. Establish a US Model of Social Housing to Create 12 million Social Housing Units Over the Next Decade

**Social housing is a model of housing that is intended to operate outside of the for-profit housing market and is owned and operated by the community through partnerships with local government or non-profit organizations.** As with models of social housing in [Europe](#), the social housing envisioned through guaranteed housing would be subsidized for extremely-low, low-, and middle-income households; would not be segregated by race or income; and would meet modern construction, quality of living, and environmental sustainability standards. Standing in stark contrast to our intentionally underfunded and racially segregated public housing system, social housing would provide a competitive public option that would enhance the access, affordability, and quality of housing throughout the entire market.

**The administration and regulation of social housing in the US will require the creation of new governmental models for providing affordable housing.** In one potential model, for example, researchers at [New York University's Urban Democracy Lab](#) call for the creation of a federal Social Housing Development Authority (SHDA) that would be established to purchase, rehabilitate, and transfer distressed properties to local social housing authorities (e.g., nonprofits, cooperatives, or local governments) or tenants for redevelopment as permanent affordable social housing. The [NYU researchers](#) also call for such an agency to have lending powers to provide direct and favorable financing to nonprofit developers and cooperatives to build and preserve permanent social housing.

To ensure that the housing needs of all people of color are fully met, funding for social housing *and* for the agencies that would administer it must be insulated from the annual political theater of Congress's annual [appropriations process](#). To do so, the NYU researchers suggest social housing be initially capitalized by Congress but then receive ongoing funding through the sale of bonds backed by the US Treasury. Such an approach could put much-needed distance between the racist politics of Congress and the important work of developing and operating social housing.

**This new government model to deliver and administer social housing must include broad regulatory authority to shape social housing in ways that not only center the needs of people of color but also address historical harms inflicted on them by our government and its housing policies.** For example, any new federal social housing agency should have the legislative mandate and regulatory authority to ensure that rents in social housing do not exceed 25% of income for households. Further, a federal social housing agency should also be provided with the power to ensure that these units are regionally dispersed throughout a given metropolitan area in order to intentionally undo racial residential segregation and disinvestment created by the legacy of redlining, urban renewal, and the systematic defunding of public housing.

## **2. Leverage Existing Resources to Begin Establishing a US Model of Social Housing Now**

Building 12 million units of social housing and the governmental infrastructure to support it would fundamentally transform the country's housing system. Unfortunately, it would take years, if not decades, to make this a reality, but people of color can't afford to wait for safe and secure housing. That's why leaders of color must continue to act today to move us away from our forced reliance on a racist housing market.

Fortunately, powerful tools are currently available to begin building a foundation for future social housing. For example, the Department of Housing and Urban Development (HUD) and the Federal Housing Finance Agency (FHFA) can use existing authority to direct the [National Housing Trust Fund \(NHTF\)](#) to build new units of social housing *immediately*. Further, HUD can use existing authority under the [Capital Fund](#) for Public Housing Authorities (PHAs) and other funds appropriated by Congress (e.g., the Choice Neighborhoods program) to begin rehabilitating all existing public housing to meet social housing standards across building, quality of life, and sustainability. Finally, to expand our public housing stock, Congress should repeal the [Faircloth Amendment](#).<sup>3</sup> Through these government actions, HUD and PHAs throughout the country would once again have the ability to build more public housing and better leverage their resources to establish a US model of social housing.

## **3. Protect People of Color from Housing Discrimination and Landlord Abuse Through a National Tenant Bill of Rights and Stronger Fair Housing Enforcement**

In the Oppression Economy, people of color are more likely than white people to be [denied housing](#), to live in intentionally [lower-resourced communities](#), and to be [evicted](#). To build a Liberation Economy, Congress and HUD must address these disparities by enacting a [national tenants' bill of rights](#), which would establish a set of basic rights for tenants. These standards—which should also be adopted by state and municipal regulatory entities and be enforceable in court at all levels of government—should include the following provisions:

- The right to be protected against sudden and predatory rent increases;

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<sup>3</sup> Enacted in 1999, the Faircloth Amendment is a law that blocks the federal government from building additional public housing units above the levels that existed more than 20 years ago.

- The right to be protected against arbitrary evictions or from being denied a lease renewal without “good cause”;
- The right to be provided with public counsel in eviction court;
- The right to access emergency, community-controlled, anti-displacement funds;
- The right for displaced tenants to return to their original housing unit; and
- The right for tenants to organize, which should include organizing a tenant union.

Beyond this measure, HUD—as well as the Consumer Financial Protection Bureau (CFPB), and the Department of Justice (DOJ)—must also modernize and strengthen their enforcement of the Fair Housing Act. Specifically, HUD must fully leverage the Obama administration’s 2015 [Affirmatively Furthering Fair Housing \(AFFH\) rule](#) to ensure that local jurisdictions are actively addressing the impacts of historic housing segregation and discrimination. Congress should also expand the Fair Housing Act’s protected classes to include “source of income,” “gender identity,” “sexual orientation,” “conviction and/or arrest history,” “eviction history,” and “credit score.” It should also ensure that immigrant families and those with criminal backgrounds can access public housing. Finally, the federal government should also require that local communities repeal all [exclusionary zoning laws](#), such as minimum lot sizes, which have long been used as a racist barrier to keep people of color away from more “affluent” communities.

#### **4. Begin Repairing Harm That Racist Land and Housing Policies Have Had on People of Color**

To create a Liberation Economy, the federal government must repair the harm it has caused to countless communities of color—particularly Indigenous and Black communities—through generations of racist land and housing policies. While not comprehensive, this includes its role in the violent displacement of indigenous people from their ancestral land, redlining and “urban renewal” efforts it encouraged, and the decades of deregulation that left people of color vulnerable to predatory banks and subprime mortgage lenders in the run up to the 2008 housing crisis.

As a first step to repairing this harm, Congress must pass legislation that would create an interagency task force to investigate the impact of the nation’s history of racist land and housing policies on people of color. Chaired by the secretaries of HUD and the Treasury Department—and made up of public officials, homeowners, tenants, advocates, and others closest to the problem—the task force should be charged with publishing a public report of its findings and its recommendations for repair.

We should note that addressing these harms through structural policy change is not and should not be used as a substitute for the long-overdue financial debt owed to the descendants of Black and Indigenous people—those most harmed by the federal government’s support, protection, and perpetuation of African chattel slavery and Indigenous genocide and displacement. The task force should provide legislative recommendations to Congress on how best to provide monetary reparations to these groups.

## 5. Ensure That All People of Color Live in Healthy, Sustainable, and Climate-Resilient Homes

All people of color deserve safe and secure housing, which also means that they should be able to live in a healthy, sustainable, and climate-resilient home. To deliver this, federal housing assistance programs—including but not limited to HUD subsidized housing, tax-credit subsidized, and future social housing—must adhere to clear standards, including established green building, energy efficiency, and Americans with Disability Act (ADA) standards. More specifically, agencies with oversight over current public and future social housing should seek to:

- Establish and enforce construction and energy efficiency standards, adopted by the Green New Deal, for the construction of social housing, financing community ownership, and the rehabilitation and renovation of current public housing;
- Require that an adequate supply of new social housing and rehabilitated public housing be available to meet the needs of people with disabilities;
- Require that new social housing is protected from the effects of global climate change; and
- Make the Low-Income Home Energy Assistance Program (LIHEAP) a federal entitlement in the model of the Supplemental Nutrition Assistance Program (SNAP).

## 6. End Wall Street Speculation and Profiteering

Finally, we must rein in the stranglehold Wall Street, private equity, speculators, and other investors have over the overall housing market. To begin this process, Congress must pass legislation that empowers HUD, the CFPB, the Treasury, the Internal Revenue Service (IRS), and other relevant agencies to end real estate speculation in communities of color. Such policies could include changes that:

- Institute a set of federal taxes to disincentivize real estate speculation from the housing market, including a special rate on capital gains from real estate transactions, a flipping tax, an out-of-state transaction tax, as well as a blight and vacancy tax;
- Reform the Home Mortgage Disclosure Act (HMDA) and the Community Reinvestment Act (CRA) to empower regulators to only credit banks that make investments that directly lead to measurable improvements in the financial wellbeing and wealth of people of color in their service area; and
- Reform the CRA to allow banks to be credited for investing in “persistently poor” counties as defined by the US Department of Agriculture.

Today’s housing crisis is so much more than an affordability crisis—it’s a dignity crisis, a morality crisis, and a crisis of skewed priorities that put profit over people. Through a guaranteed housing program, we can begin to end racist housing policy and the generational oppression that people of color endure. A Homes Guarantee alone won’t fully deliver equity and justice, but it’s an essential step on the pathway to a Liberation Economy.

## The Road Ahead to Liberation

Eradicating inequality in the US will require structural policy change. But not all policies will dismantle the [Oppression Economy](#) and build toward a [Liberation Economy](#), nor will they come to fruition on their own. As a national movement-support organization building the power of people of color to totally transform the economy, we believe that those closest to the problems are best suited to develop, shape, and advance the solutions that will get us to where we need to go.

In creating this brief, which is part of an ongoing series of [resources](#), we aimed to provide organizers with bold policy platforms and policy design frameworks that can be used to guide conversations with their communities and policymakers about how policy can be shaped to advance racial justice. We invite you to use and refine the information in this brief in whatever ways are most helpful for your work and your community. We also invite you to [engage with Liberation in a Generation](#) in further developing this idea. In the end, if we are going to build a Liberation Economy in one generation, we must ensure that advocates, community organizers, residents, and other proven and emerging leaders of color are empowered and at the center of the work to create an economy where all people of color can truly prosper.