

Chapter 18

Synopsis of Talk by Robert Gillett, Legal Services of Southeastern Michigan

Margrit Bergholz

Robert Gillett is an attorney and the executive director of Legal Services of Southeastern Michigan. As an attorney, he has specialized in housing law, including eviction and foreclosure prevention issues and low-income housing development issues. He is a 1978 graduate of the University of Michigan Law School, and has practiced as a public interest lawyer in Michigan since his graduation. Legal Services of Southeastern Michigan is one of over 300 local non-profit organizations providing free legal services to low-income persons in civil legal cases. Established in 1966, L.S.S.E.M. provides services primarily in the areas of housing law, public benefits law, and family law.

Mr. Gillett is an attorney with Legal Services of Southeastern Michigan, specializing in housing issues. He presented a discussion of what he sees as developments and current trends in affordable housing for women. Mr. Gillett works with women facing homelessness and with community groups which provide housing. Legal Services helps prevent homelessness in three broad ways:

- In eviction and foreclosure prevention, by representing the tenants or owners.
- In domestic violence situations, by getting restraining orders to give women physical security and by gaining women the right for exclusive use of the marital home.
- In public assistance cases, by representing clients against the federal or state government, to maintain income for housing and other basic needs.

The work Mr. Gillett does with affordable housing developers is more in the nature of solutions to homelessness.

Women and children in the United States have a higher incidence of poverty and extreme poverty than other sectors of the population. The federal Department of Housing and Urban Development (HUD) defines poverty as below 50% of median income, which means, for Washtenaw County, Michigan, a family of four with an income of less than \$22,500 a year, and provides statistics on poverty by that definition. The clients Mr. Gillett sees are generally recipients of welfare, either Aid to Families with Dependent Children (AFDC), which provides about \$4,800 a year to a family of three (this income is 12% of area median), or General Assistance (GA), which provides about \$2,400 a year to a single person (this income is 6% of area median).

Since the beginning of the Reagan Administration in 1981, no new affordable housing has been developed. Before 1980, some federal housing programs had aimed at housing very low-income persons, and some new programs have begun very recently to address this issue again. Mr. Gillett believes that this lack of new affordable housing has been the major cause of the increase in homelessness over the past ten years. For a significant sub-group of the homeless, the deinstitutionalization of mental patients has caused homelessness, but he thinks economic reasons are far more important than deinstitutionalization. A contributing economic cause is the freezing of welfare benefits since 1980, which has resulted in relative reductions in benefits. In 1980, the housing portion of an AFDC grant in Washtenaw County was \$175 per month. Today, this is still the

housing portion of the grant, even though it would be impossible to find an apartment for that rental rate.

The recent (October 1991) cut-off of GA payments to 83,000 people in Michigan was presented by the Governor and portrayed in the press as something which would affect only young, able-bodied black men living in the City of Detroit. This is not the case, and the reductions have affected a significant number of women. In fact, 40-45% of the GA caseload was female and the average age of recipients was over 40. A state assessment of GA recipients found that 82% of recipients were unemployable or functionally unemployable.

Ten years ago in the Midwest, homelessness among women and children was almost unknown. Now it is a significant problem. Family Emergency Shelters in Washtenaw County, which have 35 beds, experience demands for at least 200 beds at any time. This increase in homelessness has not come from social trends or sociology but has been the result of deliberate government policy.

In working with female clients who face homelessness, Mr. Gillett believes it is important to recognize the importance of the home to women's sense of security. The school schedule, proximity of churches, doctors, services, and membership in a particular community network are very important to most women psychologically and socially. When women are threatened with homelessness, they suffer emotionally and psychologically and it is important to deal with these personal issues, as well as the housing issue, through counseling or support.

Mr. Gillett urges housing professionals not to neglect the prevention of homelessness when dealing with housing problems. It is much less expensive, more humane, and more what the women want—to provide assistance which will keep them from becoming homeless in the first place.

Since the government has given up its role in providing affordable housing for more than a decade, many social service providers have stepped in to try to develop new, affordable housing. These groups usually do so because they see a lack of housing as a major problem facing their clients, but the change from providing social services to developing housing is difficult and raises many issues which these groups must grapple with. It is a positive trend that non-profits are becoming increasingly involved in providing affordable housing. Now that the HOME program was passed in 1991, some

federal funds are available and even more groups should be entering the field.

When service groups begin to develop housing, they must deal with issues of housing finance, design, and legal structure of ownership and finance, which are often completely new to them. When they get over the hurdles of developing housing, then the groups have to decide who will manage the housing and how it will be done. Many groups oriented to providing services to their clients have a hard time becoming landlords and dealing with issues of rent collection and evictions. The groups have to decide if they should manage the housing themselves and, if they do, whether it should be managed by a separate section or integrated into the service section of the organization.

Community service organizations usually have to start with small developments. To help groups in developing housing, a trend toward consortia is developing. Instead of 15 groups having to learn housing finance in order to create 50 units, only one group will become expert in finance and then provide that service to the others.

Even though the federal government has created an affordable housing program recently, the level of funding is nowhere near the need. In the late 1960's and early 1970's, more than 1,500 units of affordable housing were built around Ann Arbor through the federal government's 236 and 221 mortgage insurance programs. The need for affordable housing in Ann Arbor is now greater than it was during that period. To build 1,500 units today would require over \$60,000,000 in subsidies, but the amount available to Ann Arbor this year is under \$1,000,000.

Mr. Gillett sees the trend toward the development of affordable housing by non-profit organizations as positive. He sees the field of developing affordable housing today as very experimental, where groups are trying new solutions and creating new models. He thinks non-profits and government should keep this in mind when evaluating programs and stay flexible and keep adjusting programs to improve them. He feels that a significant increase in federal funding for very low-income housing is necessary to move communities from small, experimental developments to larger developments that can address the tremendous housing need.