

California Governor Jerry Brown backs \$2 billion plan to deal with the state's homeless

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Democratic Governor of California Jerry Brown has backed a \$2 billion plan from the state senate to ostensibly reduce the state's homeless population, which is the largest in the country. Brown's plan would entail raising state funds with bonds, which would be paid back in 20 to 30 years with money allocated from Proposition 63, approved by voters in 2004.

The so-called "millionaires' tax" was originally meant to fund mental health services. It will now be used to fund 10,000 to 14,000 new housing units, even though the total homeless population in the state is 116,000. Even if the proposal is enacted and the homes are built, less than a tenth of the state's homeless would find shelter under this plan.

The Prop 63 tax does not even make a dent in the fortunes of the rich. Only the wealthiest 0.1 percent of California's taxpayers, about 30,000 people who earn more than \$1 million a year, will have to pay a tax rate of 10.3 percent on every dollar they make over \$1 million, instead of the usual 9.3 percent.

The high cost of living in the state combined with high rents and unaffordable housing has condemned tens of thousands to a life on the streets. That, combined with massive unemployment and poverty-wage jobs, as well as the evisceration of any social safety net, has ensured a human catastrophe unequalled since the Great Depression.

California accounts for 20 percent of the nation's homeless, and, given the cost of living in the state, it is not hard to determine why. Since the start of this year, rent has increased 6.7 percent in Los Angeles alone, with the average two-bedroom apartment costing \$2,650 a month, according to Apartment List. This is not even the most expensive city in California. In San Francisco, rent for a two-bedroom apartment averages \$4,760.

Los Angeles County has the largest homeless population in the state, but the bond money from this plan would not solve the problem. Officials have set aside \$150 million for homeless services, but estimate that it would take 15,341 more permanent housing units to seriously address the homeless population's needs, or more than double what is currently allocated.

The city of Los Angeles has already approved an oft-touted \$1.87 billion plan to address homelessness by Democratic Mayor Eric Garcetti, though this plan has yet to be implemented and officials are still unclear on how they plan to fund it.

Meanwhile, in San Diego, affectionately called "America's Finest City," authorities have begun a crackdown on boats and RVs parked on the streets containing homeless people. A two-year old law which prevents large campers from being stationary in parking spots near the beach became permanent law last week.

The law essentially criminalizes the homeless and pushes some onto the street when they would rather be living in their cars. While other coastal cities applied similar bans, San Diego had to wait until a law was crafted to cover the entire county.

The fact that the money for the current plan is not coming from any new source is also telling. Money that was originally allocated for the mentally ill is now to be spent on a different, but completely connected social problem. An estimated 30 percent of homeless people have some form of mental illness.

Nonetheless, this has not stopped Brown and state Democrats from utilizing their "solution" to the homeless crisis for the most cynical of reasons, improving the "progressive" image of the party before the November elections. This has prompted former Senate President pro-tem Darrell Steinberg to declare, "Homelessness knows no partisan lines" and to

advocate working with the Republicans to pass the deal.

Brown has a long record of working with development and housing companies to secure higher profits and smoother business at the expense of the working class, going all the way back to his time as mayor of Oakland.

In vetoing AB1229, a proposed 2013 bill that would have mandated developers to invest a minimum in low-income housing projects, Brown offered the market-oriented explanation: “As mayor of Oakland, I saw how difficult it can be to attract development to low and middle income communities. Requiring developers to include below-market units in their projects can exacerbate these challenges...”

He continues this today. The current proposal he is backing may come bundled with additional “reforms” that would launch deeper attacks against the working class. In his administration’s most recent May budget revision, Brown contemplates adding to the proposal:

“...additional legislation requiring ministerial ‘by right’ land use entitlements for multifamily infill housing developments that include affordable housing. This would help constrain development costs, improve the pace of housing production, and encourage an increase in housing supply.”

In this context, “by right” refers to the freedom of developers to take certain actions without a normally required permit, typically issued after a municipal review process. This is tantamount to eliminating what rules exist to ensure basic living standards for low income tenants, which could include everything from utilities to the stability of the buildings themselves.

This section of the May revision finishes, somewhat ominously, with, “It is counterproductive to continue providing funding for affordable housing under a system that slows down approvals in areas already vetted and zoned for housing.” This is a thinly veiled assertion that current funding for low income housing—certainly not limited to this proposal—will be put on the chopping block if such deregulation is not enacted.

The money would be awarded on a competitive grant basis, meaning counties would have to fight one another to receive the largest share. This is not unlike President Obama’s education “reforms,” which force schools to compete for federal funds.

Not only does this proposal do nothing to address the roots causes of homelessness, namely capitalism, but it is tied to reforms that will ultimately result in even greater attacks on the working class. It provides further proof that the Democratic Party, no less than the Republican, is an instrument of Wall Street through and through.



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